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Edward E. Shea

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SDMS Document



103792

NEW BRUNSWICK, NJ

PRINCETON, NJ

STAMFORD, CT

BONITA SPRINGS, FL

April 16, 2003

Ms. Kedari Reddy, Assistant Regional Counsel
Office of Regional Counsel - Region II
U.S. Environmental Protection Agency
290 Broadway, 17th Floor
New York, New York 10007-1866

Dear Ms. Reddy:

At the request of William Reilley, Director Environmental Affairs of Marcal Paper Mills, Inc., I am enclosing a copy of its certificate of incorporation and amendments in response to your Request for Information dated February 27, 2003 relating to the Lower Passaic River Study Area.

Very truly yours,

Edward E. Shea

EES:mg
Enclosure

cc: Mr. William Reilley

RECEIVED
APR 17 2003

{WMLM-LT0:1}

THE CERTIFICATE OF INCORPORATION

— of —

MARCATHUS MANUFACTURING CO., INC.

This is to certify that the undersigned do hereby associate themselves into a corporation under and by virtue of the provisions of Act of Legislature of the State of New Jersey, entitled "An Act Concerning Corporations (Provisions of 1896)" and the several supplements thereto and acts amendatory thereof and do severally agree to take the number of shares of capital stock ^{here} set opposite their respective names.

FIRST. The name of the corporation is MARCATHUS MANUFACTURING CO., INC.

SECOND. The location of the principal office in this state is at No. 1169 Dickinson Street, Elizabeth, and County of Union.

The name of the statutory agent therein and in charge thereof, upon whom process against this corporation may be served is HARVEY STEIN.

THIRD. The objects for which this corporation is formed are to purchase, lease, hire or otherwise acquire real and personal property, improved and unimproved, of every kind and description and to sell, dispose of, lease, convey and mortgage said property or any part thereof.

Fourth. To acquire, hold, lease, manage, operate, develop, control, build, erect, maintain for the purpose of said company, construct, reconstruct or purchase, either directly or through ownership of stock in any corporation, any lands, buildings, offices, stores, warehouses, mills, shops, factories, plants, saw houses, machine works, etc., easements, rights, privileges,

other fibre, and not a part of an incident to such business, the mining of iron pyrites, clay, sulphur, coal, graphite and any fibrous minerals and materials; the purchase, lease or other acquisition and the development of woodlands and the manufacture, sales and disposition of any surplus products of said woodlands; and the production and sale of any surplus or by-products in said business; and the right in connection with its business to purchase or acquire and to own, use, sell and assign patents, rights, inventions and processes connected with the manufacture of paper or wood pulp, or of any other materials and products used in or connected with such manufacture, or with any other lawful business of the corporation or resulting therefrom to purchase, acquire, build, own and rent or sell available to establish, own and carry on stores for the said of merchandise; to purchase, acquire, hold, sell and convey such real and personal estate and property as may be necessary or proper for the business or purposes of the corporation, and generally to do any and all things which may be necessary or proper in connection with the said business, and which may not be contrary to law.

CAPITAL. The total authorized capital stock of this corporation is ONE HUNDRED THIRTY FIVE THOUSAND (\$125,000) DOLLARS, divided into FIFTY THOUSAND and FIFTY (\$1250) shares of the par value of ONE HUNDRED (\$100.00) DOLLARS each.

SUBSCRIPTION. The names and post office addresses of the incorporators and the number of shares subscribed for by each, the aggregate of such subscriptions being the amount of capital stock

from which this company will commence business are as follows:

NAME	POST OFFICE ADDRESS	NO. OF SHARES
Nicholas J. Carlson	527 1/2 Riverside Drive Elizabeth, N. J.	6
William J. Carlson	527 1/2 Riverside Drive Elizabeth, N. J.	4
Harvey Goldsmith	75 Day Street New York, N. Y.	1

THE TOTAL FIFTY shares have been paid for and have been

franchises and licenses, and all other things which may at any time be necessary or convenient in the judgment of the board of directors for the purposes of the Company.

To sell, lease, hire or otherwise dispose of lands, buildings or other property of the Company, or any part thereof, or carry on the business of manufacturing automatic box machines, automatic paper winding machines, waxing machines, converting plain and waxed paper.

To buy or sell all kinds of merchandise, materials and machinery, and to carry on a general merchandise business of buying and selling, to act as manufacturers and others' agents in the buying and selling of all kinds of articles, both manufactured and unmanufactured and in process of manufacture, to import and export all kinds of goods and materials to foreign countries as well as to sell all kinds of goods in the United States, to manufacture all kinds of machinery, merchandise and materials, to take contracts for the erection and repair of buildings, to do all kinds of work and supply all kinds of material in the building or repair of all kinds of buildings, to buy and sell on commission all classes and kinds of goods, to act as a commission and to own and hold the stock of other business corporations, and to finance other business enterprises.

To manufacture, buy, sell, import and export, repair, alter, let on hire and deal in apparatus, machinery, hardware and articles of all kinds capable of being used for the purpose of any business herein mentioned or in connection herewith.

To maintain, conduct and manage the business of manufacturing, producing, purchasing, selling and dealing in all kinds of paper and any and all ingredients, products and compounds thereof, and any and all materials that may or may not be used in connection with such manufacturing, including the manufacture and production of wood pulp and any

and seals at the 27th day of April 1962

Richard M. ... (T.S.)
Thomas J. ... (T.S.)
John ... (T.S.)

SWORN TO before me
COUNTY OF ...

On this 27th day of April 1962, before me, a Notary Public in and for the State of ... personally appeared ... who I am satisfied are the persons named in ... who executed the foregoing certificate, and I having first made known to them the contents thereof, they said each acknowledged that they signed, sealed and delivered the same as their voluntary act and deed.

James H. ...
Notary Public

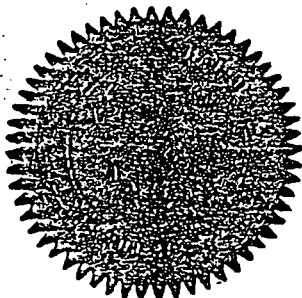
State of New Jersey



Department of State

I, the Secretary of State of the State
of New Jersey, do hereby Certify that the foregoing is a true
copy of the Certificate of Incorporation,
of MARCALUS MANUFACTURING CO., INC.

_____ and the endorsements thereon,
as the same is taken from and compared with the original filed
in my office on the Twenty-ninth day of April, A.D.
1932, and now remaining on file and of record therein.



In Testimony Whereof, I have hereunto
set my hand and affixed my Official
Seal at Trenton, this Fourteenth
day of March, A.D. 1949.

Lloyd P. Marsh

Secretary of State.

S 8946

CERTIFICATE OF INCORPORATION

MARGARITA MANUEL AGUIAR, INC.

DATED April 27, 1932

Law Offices
Harry Stiegel
1169 44th Street
Brooklyn, N. Y.

RECEIVED in the City of New York
in the County of Union, N. Y., on the
28th day of April, A. D. 1932
at 7:22 o'clock in the forenoon
and was recorded in Book 143
INCORPORATIONS
Dated April 28, 1932
New McLeod Jr.

FILED AND RECORDED
APR 29 1932
Recorded in book
of Corporations

04.6112

CERTIFICATE OF INCREASE OF CAPITAL
STOCK AND AMENDMENT OF CERTIFICATE
OF INCORPORATION

OF

MARCALUS MANUFACTURING CO., INC.

The location of the principal office in this state is at 1 Exchange Place, in the City of Jersey City, County of Hudson.

The name of the agent therein and in charge thereof upon whom process against this corporation may be served is Frederic W. Schumann.

RESOLUTION OF DIRECTORS

RESOLVED that the board of directors of Marcalus Manufacturing Co., Inc., a corporation of New Jersey, deems it advisable and hereby declares it to be advisable that the total authorized capital stock of this company be increased from 1,250 shares to 3,000 shares, and that the certificate of incorporation be amended as hereinafter provided: -

(1) Article Fourth of the Certificate of Incorporation be amended to read as follows:

"Fourth: The total authorized capital stock of this company is 3,000 shares of the par value of \$100.00 each."

(2) The Certificate of Incorporation be amended by the addition of the following articles: -

"Sixth: The issuance of non-voting stock by this corporation is prohibited."

"Seventh: (a) The declaration or payment of dividends on the capital stock of this corporation is prohibited until 'Creditors in Classes 12 and 13' as defined in the Trustee's Plan of Reorganization, As Amended, (hereinafter referred to as 'The Plan') for Marcalus Manufacturing Co., Inc., and Marcal Pulp and Paper, Inc., as approved by an order of the United States District Court, District of New Jersey, made February 27th, 1951, in proceedings entitled 'In the Matter of Marcalus Manufacturing Co., Inc., Debtor', Docket No. B222-49, are paid in full as provided in The Plan;

(b) The Board of Directors of this corporation shall consist of five (5) members, provided, however, that the number of directors may be increased to ten (10) as provided in The Plan. Each director shall hold one (1) share of stock of the corporation as provided in The Plan, and shall hold office until the next annual meeting of the stockholders and until his or ^{her} successor is duly elected and qualified, or until 75% of the moneys due under notes issued to creditors in each of Classes 12 and 13 are paid, as provided in The Plan, whichever event first occurs.

In case of a vacancy in the Board of Directors due to resignation, death, incapacity or other cause, the remaining directors shall elect such person to fill the vacancy as may be recommended to them by the Voting Trustee or Trustees, in accordance with and as provided in The Plan. A director

so recommended to fill a vacancy shall be elected at a regular or special meeting of the directors and shall serve for the unexpired term of his or her predecessor in office.

(c) While 75% of the moneys due on the notes issued to creditors in each of Classes 12 and 13 remains unpaid, the approval of 100% of the Board of Directors of the corporation shall be required.

(i) to increase the salary to be paid to any officer or executive of the corporation in excess of the amount provided in The Plan;

(ii) to create any executive or administrative position in connection with the management of the business of the corporation other than as provided in The Plan;

(iii) for the expenditure of any moneys for capital improvements in excess of \$50,000.00 in any fiscal year. The term 'capital improvements' as herein employed shall include, but is not limited to, any addition to the plant or equipment and real or personal property of the corporation;

(iv) for the expenditure of any sum in excess of \$5,000. for any repair job. The term 'repair job' as herein employed shall include but is not limited to any modification, repair, alteration or improvement to the plant or equipment, or any work, labor or services in

connection with the maintenance thereof by whatever means necessary to accomplish the same, and the repair shall be regarded as a repair according to sound and accepted accounting principles;

(v) to follow an inventory policy that is not normal to the industry;

(vi) for the creation of any mortgage or lien upon any of the real or personal property of the corporation;

(vii) to decide any matter of major policy. In the event there is a dispute as to what constitutes a question of major policy, then the vote of two-thirds of the Board of Directors of the corporation, if the number of Directors is 5, shall be necessary in order to determine that the question is not one of major policy; if the Board consists of 10 Directors, then the vote of 90% of the Board shall be necessary to determine that the question is not one of major policy;

(viii) to amend any by-law of the corporation or its Certificate of Incorporation;

(ix) to vote the stock of Pomona Paper Products, Inc., or take any action concerning the affairs of Pomona Paper Products, Inc.;

(x) to borrow money on any terms other than such that would subordinate and postpone the rights of the lender as to repayment, terms and security until

the Creditors in Class 12 and 13 are paid in full."

"Eighth: As provided in The Plan so long as there is no default in the payment of the notes issued to Creditors in Classes 12 and 13, the officers of the corporation shall be the following:

President	Nicholas Marcalus
Vice President.....	Robert L. Marcalus
Secretary & Treasurer.....	Mildred M. Marcalus
Comptroller.....	To be elected by the Finance Com- mittee from present personnel

Nicholas Marcalus, Robert L. Marcalus and Mildred M. Marcalus shall be paid such salaries as the Board of Directors may determine, provided, however, that the total salaries per annum paid to them by this company and all companies owned by or affiliated with this company shall not exceed \$46,000. per annum.

The Comptroller shall be paid such salary as the Board of Directors may determine, provided, however, that the total salary per annum paid to the Comptroller by this company and all companies owned by or affiliated with the reorganized company (as defined in The Plan) shall not exceed \$12,500. per annum, unless a greater total amount shall be approved by unanimous vote of the Board of Directors."

"Ninth: As provided in The Plan the signature of the Comptroller and the signature of another officer of the corporation shall be required on all checks in excess of

\$500.00 and the Comptroller shall submit a monthly report of the corporation's business to the Board of Directors and the Finance Committee. The signature of the Comptroller and another officer of the corporation shall be required on all orders for machinery and equipment."

"Tenth: As provided in The Plan, notwithstanding the provisions of Article Seventh (x) the corporation may at any time borrow the moneys necessary to pay to creditors in each of Classes 12 and 13 all or 75% of the balance remaining due on the notes issued under The Plan. In the event the corporation borrows sufficient money to pay only 75% of the balance remaining due on the notes issued to creditors in each of Classes 12 and 13 under The Plan, then the repayment of the moneys thus borrowed shall be subsequent to the payment of the balance remaining due on the notes issued under The Plan, after applying the proceeds of such loan to the notes issued under The Plan, and shall be subordinate as to security and terms. Such borrowing shall require only a majority vote of the Board of Directors."

"Eleventh: As provided in The Plan there shall be elected by the Board of Directors a Finance Committee which shall consist of three persons to be elected as follows:

1. The director nominated by the Creditors' Committee;
2. The director nominated by the Creditors in Class 13; and
3. A director nominated by the holders of Voting Trust Certificates of the corporation.

The Chairman of the Finance Committee shall be the Director nominated by the Creditors in Class 13. He shall have the right to fire the Comptroller to be selected from the present personnel of the Debtor, but such firing shall be only for cause, and hire a new Comptroller and fix his salary subject to the limitations provided therefor herein and in The Plan, after consultation with the other members of the Finance Committee and after consultation with the Comptroller's Institute of America. The Finance Committee, by majority vote, shall have the power to employ or authorize the employment of such assistance for the Comptroller as such Committee deems desirable for the preparation and analysis of such fiscal reports as may be necessary or proper for the operation of the business of the corporation, and to select an independent accounting firm and determine the scope of the audit to be made by such firm of the books and records of the corporation. In all other fiscal matters the Finance Committee shall act in an advisory capacity."

"Twelfth: The Board of Directors, by unanimous vote, may amend the By-Laws."

"Thirteenth: Not less than once annually, the corporation shall mail to each holder of notes issued by the corporation to

creditors in Classes 12 and 13 and to each creditor in Classes 7, 8 and 9, as defined in The Plan, a report of this corporation's operations, which report shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice."

FURTHER RESOLVED that a special meeting of the stockholders be and it hereby is called to be held at the registered offices of the company on *April 22nd*, 1951, at *4:15* o'clock ^{*AFTER*} noon, to take action on the foregoing resolutions, and to repeal the By-Laws of this Company and to adopt new By-Laws, and on any other matters that may be included in the notice or waiver of notice of said meeting, including but not limited to any action that may be required by this corporation to effect consummation of The Plan as provided therein.

CERTIFICATE OF CHANGE

Marcalus Manufacturing Co., Inc., a corporation of New Jersey, doth hereby certify that it has increased its capital stock and amended its Certificate of Incorporation to read as follows:-

"Fourth: The total authorized capital stock of this company is 3,000 shares of the par value of \$100.00 each."

"Sixth: The issuance of non-voting stock by this corporation is prohibited."

"Seventh: (a) The declaration or payment of dividends on the capital stock of this corporation is prohibited until creditors

in Classes 12 and 13' as defined in the Trustees Plan of Reorganization, As Amended, (hereinafter referred to as 'The Plan') for Marcalus Manufacturing Co., Inc., and Marcal Pulp And Paper, Inc., as approved by an order of the United States District Court, District of New Jersey, made February 27th, 1951, in proceedings entitled "In the Matter of Marcalus Manufacturing Co., Inc., Debtor", Docket No. B222-49, are paid in full as provided in The Plan;

(b) The Board of Directors of this corporation shall consist of five (5) members, provided, however, that the number of directors may be increased to ten (10) as provided in The Plan. Each director shall hold one (1) share of stock of the corporation as provided in The Plan, and shall hold office until the next annual meeting of the stockholders and until his or her successor is duly elected and qualified, or until 75% of the moneys due under notes issued to creditors in each of Classes 12 and 13 are paid, as provided in The Plan, whichever event first occurs.

In case of a vacancy in the Board of Directors due to resignation, death, incapacity or other cause, the remaining directors shall elect such person to fill the vacancy as may be recommended to them by the Voting Trustee or Trustees, in accordance with and as provided in The Plan.

A director so recommended to fill a vacancy shall be elected at a regular or special meeting of the directors and shall serve for the unexpired term of his or her predecessor in office.

(c) While 75% of the moneys due on the notes issued to creditors in each of Classes 12 and 13 remains unpaid, the approval of 100% of the Board of Directors of the corporation shall be required

(i) to increase the salary to be paid to any officer or executive of the corporation in excess of the amount provided in The Plan;

(ii) to create any executive or administrative position in connection with the management of the business of the corporation other than as provided in The Plan;

(iii) for the expenditure of any moneys for capital improvements in excess of \$50,000.00 in any fiscal year. The term 'capital improvements' as herein employed shall include, but is not limited to, any addition to the plant or equipment and real or personal property of the corporation;

(iv) for the expenditure of any sum in excess of \$5,000. for any repair job. The term 'repair job' as herein employed shall include but is not limited

to any modification, repair, alteration or improvement to the plant or equipment, or any work, labor or services in connection with the maintenance thereof by whatever means necessary to accomplish the same, and the repair shall be regarded as a repair according to sound and accepted accounting principles;

(v) to follow an inventory policy that is not normal to the industry;

(vi) for the creation of any mortgage or lien upon any of the real or personal property of the corporation;

(vii) to decide any matter of major policy. In the event there is a dispute as to what constitutes a question of major policy, then the vote of two-thirds of the Board of Directors of the corporation, if the number of Directors is 5, shall be necessary in order to determine that the question is not one of major policy; if the Board consists of 10 Directors, then the vote of 90% of the Board shall be necessary to determine that the question is not one of major policy;

(viii) to amend any by-law of the corporation or its Certificate of Incorporation;

(ix) to vote the stock of Pomona Paper Products, Inc., or take any action concerning the affairs of Pomona Paper Products, Inc.;

(x) to borrow money on any terms other than such that would subordinate and postpone the rights of the lender as to repayment, terms and security until the Creditors in Class 12 and 13 are paid in full."

"Eighth: As provided in The Plan so long as there is no default in the payment of the notes issued to Creditors in Classes 12 and 13, the officers of the corporation shall be the following:

President	Nicholas Marcalus
Vice President.....	Robert L. Marcalus
Secretary & Treasurer...	Mildred M. Marcalus
Comptroller.....	To be elected by the Finance Committee from present personnel.

Nicholas Marcalus, Robert L. Marcalus and Mildred M. Marcalus shall be paid such salaries as the Board of Directors may determine, provided, however, that the total salaries per annum paid to them by this company and all companies owned by or affiliated with this company shall not exceed \$46,000. per annum.

The Comptroller shall be paid such salary as the Board of Directors may determine, provided, however, that the total salary per annum paid to the Comptroller by this company and all companies owned by or affiliated with the reorganized company (as defined in The Plan) shall not exceed \$12,500. per annum, unless a greater total amount shall be approved by unanimous vote of the Board of Directors."

"Ninth: As provided in The Plan the signature of the Comptroller and the signature of another officer of the corporation shall be required on all checks in excess of \$500.00 and the Comptroller shall submit a monthly report of the corporation's business to the Board of Directors and the Finance Committee. The signature of the Comptroller and another officer of the corporation shall be required on all orders for machinery and equipment."

"Tenth: As provided in The Plan, notwithstanding the provisions of Article Seventh (x) the corporation may at any time borrow the moneys necessary to pay to creditors in each of Classes 12 and 13 all or 75% of the balance remaining due on the notes issued under The Plan. In the event the corporation borrows sufficient money to pay only 75% of the balance remaining due on the notes issued to creditors in each of Classes 12 and 13 under The Plan, then the repayment of the moneys thus borrowed shall be subsequent to the payment of the balance remaining due on the notes issued under The Plan, after applying the proceeds of such loan to the notes issued under The Plan, and shall be subordinate as to security and terms. Such borrowing shall require only a majority vote of the Board of Directors."

"Eleventh: As provided in The Plan there shall be elected by the Board of Directors a Finance Committee which shall consist of three persons to be elected as follows:

1. The director nominated by the Creditors' Committee;
2. The director nominated by the Creditors in Class 13; and
3. A director nominated by the holders of Voting Trust Certificates of the corporation.

The Chairman of the Finance Committee shall be the Director nominated by the Creditors in Class 13. He shall have the right to fire the Comptroller to be selected from the present personnel of the Debtor, but such firing shall be only for cause, and hire a new Comptroller and fix his salary subject to the limitations provided therefor herein and in The Plan, after consultation with the other members of the Finance Committee and after consultation with the Comptroller's Institute of America. The Finance Committee, by majority vote, shall have the power to employ or authorize the employment of such assistance for the Comptroller as such Committee deems desirable for the preparation and analysis of such fiscal reports as may be necessary or proper for the operation of the business of the corporation, and to select an independent accounting firm and determine the scope of the audit to be made by such firm of the books and records of the

corporation. In all other fiscal matters the Finance Committee shall act in an advisory capacity."

"Twelfth: The Board of Directors, by unanimous vote, may amend the By-Laws."

"Thirteenth: Not less than once annually, the corporation shall mail to each holder of notes issued by the corporation to creditors in Classes 12 and 13 and to each creditor in Classes 7, 8 and 9, as defined in The Plan, a report of this corporation's operations, which report shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice."

the said increase of capital stock and amendments having been declared by resolution of the Board of Directors of said Corporation (above recited) to be advisable, and having been duly and regularly assented to by the vote of two-thirds in interest of each class of stockholders having voting powers, at a meeting duly called by the Board of Directors for that purpose.

IN WITNESS WHEREOF, said corporation has made this Certificate under its seal and the hands of its President and Secretary the 27th day of April, A.D.1951.

ATTEST:

Michael M. Williams
Secretary

Nicholas Maroulis
President
Michael M. Williams
Secretary

STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 27 day of April, A. D. 1951, before me, the subscriber, a Notary Public of New Jersey, personally appeared MILDRED M. MARCALUS, Secretary of Marcalus Manufacturing Co., Inc., the corporation named in and which executed the foregoing certificate, who, being by me duly sworn, according to law, does depose and say and make proof to my satisfaction that she is the Secretary of said corporation; that the seal affixed to said corporation certificate is the corporate seal of said corporation, the same being well known to her; that it was affixed by order of said corporation; that Nicholas Marcalus is the president of said corporation; that she saw said Nicholas Marcalus as such president sign said certificate and affix said seal thereto and deliver said certificate, and heard him declare that he signed, sealed and delivered said certificate as the voluntary act and deed of said corporation, by its order and by authority of its Board of Directors and by the vote, either in person or by proxy, duly constituted and thereunto duly authorized, of more than two-thirds in interest of each class of said stockholders having voting powers, for the uses and purposes therein expressed; and that said Mildred M. Marcalus signed her name thereto at the same time as subscribing witness.

Subscribed and sworn to before
me the day and year aforesaid.

Mildred M. Marcalus

Charles T. Woolley

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 3, 1952

58746

CERTIFICATE OF ACQUISITION OF
CAPITAL STOCK AND ASSIGNMENT
OF CERTIFICATE OF INCOR-
PORATION

OF

PERCIVAL MANUFACTURING
CO., INC.

Recorded in Book _____
Page _____ of Corporations

FILED and RECORDED

APR 30 1951

Raymond
CHIEF CLERK

04-2110-

CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION
OF

MARCALUS MANUFACTURING CO., INC.

The location of the principal office in this State is at 1 Exchange Place, in the City of Jersey City, County of Hudson.

The name of the agent therein and in charge thereof upon whom process against this corporation may be served is Frederic W. Schumann.

RESOLUTION OF DIRECTORS

RESOLVED, that the Board of Directors of Marcalus Manufacturing Co., Inc., a corporation of the State of New Jersey, deems it advisable and hereby declares it to be advisable that the Certificate of Incorporation be amended as hereinafter provided: -

(1) Article FIRST is amended to read as follows:

"FIRST: Effective May 1, 1960, the name of the corporation is MARCAL PAPER MILLS, INC."

(2) Articles SIXTH, SEVENTH, EIGHTH, NINTH, TENTH, ELEVENTH, TWELFTH and THIRTEENTH are repealed.

(3) The Certificate is amended by the addition of the following articles: -

"SIXTH: The Board of Directors shall have the power to make, alter and repeal the By-laws.

"SEVENTH: In the absence of actual fraud no contract or other transaction between this corporation and any other corporation, or any partnership or association, shall be affected or invalidated by the fact that any director or officer of this corporation is pecuniarily or otherwise interested in, or is a director, member or officer of such other corporation, or of such firm, association or partnership, or is party to, or is pecuniarily or otherwise interested in such contract or other transaction, or in any way connected with any person or persons, firm, association, partnership or corporation, pecuniarily or otherwise interested therein; and such director may be counted in determining the existence of a quorum at any meeting of the board of directors of this corporation for the purpose of authorizing any such contract or transaction with like force and effect as if he were not so interested, or were not a director, member or officer of such other corporation, firm, association or partnership; and any such director or officer of this corporation individually may be a party to or interested in any such contract or transaction of this corporation and he is hereby relieved

from any liability that might otherwise exist from contracting with this corporation for the benefit of himself or of any person or persons, firm, association, partnership or corporation, in which he may be in any wise interested.

"EIGHTH: Any present or future director or officer of the corporation and any present or future director or officer of any other corporation serving as such at the request of the corporation because of the corporation's interest in such other corporation or the legal representative of any such director or officer shall be indemnified by the corporation against reasonable costs, expenses (exclusive of any amount paid to the corporation in settlement) and counsel fees paid or incurred in connection with any action, suit or proceeding to which any such director or officer or his legal representative may be made a party, by reason of his being or having been such director or officer; provided (1) said action, suit or proceeding shall be prosecuted against such director or officer or against his legal representative to final determination and it shall not be finally adjudged in said action, suit or proceeding that he had been derelict in the performance of his duties as such director or officer; or (2) said action, suit or proceeding shall be settled or otherwise terminated as against such director or officer or his legal representative without a final

determination on the merits, and it shall be determined by the Board of Directors or in such other manner as may be provided by By-law, that said director or officer had not in any substantial way been derelict in the performance of his duties as charged in such action, suit or proceeding. The foregoing privileges and powers shall be in addition to and not in restriction or limitation of any other privilege or power which the corporation may have with respect to the indemnification or reimbursement of directors or officers.

"NINTH: The preferences, qualifications, limitations, restrictions and the special or relative rights in respect to the shares of each class are:

With the exception of transfers in the case of a deceased stockholder to his executors or administrators, and with the exception of transfers consented to in writing by the then holders of all outstanding shares, no shares of the corporation shall be sold, assigned or otherwise transferred by any holder or owner thereof or any representative of any stockholder or by any receiver, trustee in bankruptcy, or any representative of any creditors of any stockholder or by the grantee or assignee of any shares sold on execution or otherwise unless the same first shall have been offered for sale to the

corporation or if the corporation shall so elect, to a nominee or nominees of the corporation as hereinafter provided:

A. Whenever any such holder, owner, grantee, or assignee shall desire to sell or dispose of shares of the corporation, such holder, owner, grantee or assignee shall first obtain a bona fide offer for the purchase of said shares (hereinafter called the primary offer) and shall then offer to sell said shares to the corporation or to its nominee or nominees (said offer hereinafter being called the secondary offer) at the price and on the terms contained in said primary offer, notifying the corporation of the name and address of such offeror and of the consideration provided to be paid. The aforesaid secondary offer and notice shall be in writing addressed to the corporation at its office in the Borough of East Paterson, New Jersey. The corporation shall be given a period of thirty days from the receipt of such secondary offer and notice within which to accept or reject said offer. If the corporation has rejected said secondary offer or has failed to accept said secondary offer in writing with respect to such shares within said thirty-day period, either on behalf of itself or on behalf of a nominee or nominees, such holder, owner, grantee or assignee shall be at liberty within sixty days after the expiration of such original thirty-day period to sell and transfer such

shares to the person named in said primary offer at the price contained therein. If, however, such shares shall not be so sold or disposed of as aforesaid and the certificates therefor presented to the corporation for transfer within such sixty-day period, such shares again must be offered to the corporation as hereinabove provided before the same or any part thereof can thereafter be sold, assigned or otherwise transferred.

B. No transfer of any shares made in violation of the foregoing provisions shall be recorded on the stock books of the corporation and no dividends shall be paid on such shares.

C. Any notice hereinabove provided to be given by the corporation shall be sufficient if given to the holder of record of any shares at his address appearing on the stock books of the corporation and shall bind the legal representatives or assigns of such holder of record.

"TENTH: The period of existence of this corporation is unlimited."

RESOLVED, that a special meeting of the stockholders be and it hereby is called to be held at the office of said Company in the Borough of East Paterson, State of New Jersey, on April 21, 1960, at 10:00 o'clock in the ~~fore~~ noon, to take action on the last-mentioned resolution, and on any further matters that may be included in the notice or waiver of notice of said meeting.

CERTIFICATE OF CHANGE

Marcalus Manufacturing Co., Inc., a corporation of New Jersey, doth hereby certify that it has amended its Certificate of Incorporation in the following respects:-

(1) Article FIRST is amended to read as follows:

"FIRST: Effective May 1, 1960, the name of the corporation is MARCAL PAPER MILLS, INC."

(2) Articles SIXTH, SEVENTH, EIGHTH, NINTH, TENTH, ELEVENTH, TWELFTH and THIRTEENTH are repealed.

(3) The Certificate is amended by the addition of the following articles:-

"SIXTH: The Board of Directors shall have the power to make, alter and repeal the By-laws.

"SEVENTH: In the absence of actual fraud no contract or other transaction between this corporation and any other corporation, or any partnership or association, shall be affected or invalidated by the fact that any director or officer of this corporation is pecuniarily or otherwise interested in, or is a director, member or officer of such other corporation, or of such firm, association or partnership, or is party to, or is pecuniarily or otherwise interested in such contract or other transaction, or in any way connected with

any person or persons, firm, association, partnership or corporation, pecuniarily or otherwise interested therein; and such director may be counted in determining the existence of a quorum at any meeting of the board of directors of this corporation for the purpose of authorizing any such contract or transaction with like force and effect as if he were not so interested, or were not a director, member or officer of such other corporation, firm, association or partnership; and any such director or officer of this corporation individually may be a party to or interested in any such contract or transaction of this corporation and he is hereby relieved from any liability that might otherwise exist from contracting with this corporation for the benefit of himself or of any person or persons, firm, association, partnership or corporation, in which he may be in any wise interested.

"EIGHTH: Any present or future director or officer of the corporation and any present or future director or officer of any other corporation serving as such at the request of the corporation because of the corporation's interest in such other corporation or the legal representative of any such director or officer shall be indemnified by the corporation against reasonable costs, expenses (exclusive of any amount paid to the corporation in settlement) and

counsel fees paid or incurred in connection with any action, suit or proceeding to which any such director or officer or his legal representative may be made a party, by reason of his being or having been such director or officer; provided (1) said action, suit or proceeding shall be prosecuted against such director or officer or against his legal representative to final determination and it shall not be finally adjudged in said action, suit or proceeding that he had been derelict in the performance of his duties as such director or officer; or (2) said action, suit or proceeding shall be settled or otherwise terminated as against such director or officer or his legal representative without a final determination on the merits, and it shall be determined by the Board of Directors or in such other manner as may be provided by By-law, that said director or officer had not in any substantial way been derelict in the performance of his duties as charged in such action, suit or proceeding. The foregoing privileges and powers shall be in addition to and not in restriction or limitation of any other privilege or power which the corporation may have with respect to the indemnification or reimbursement of directors or officers.

"NINTH: The preferences, qualifications, limitations, restrictions and the special or relative rights in respect to the shares of each class are:

With the exception of transfers in the case of a deceased stockholder to his executors or administrators, and with the exception of transfers consented to in writing by the then holders of all outstanding shares, no shares of the corporation shall be sold, assigned or otherwise transferred by any holder or owner thereof or any representative of any stockholder or by any receiver, trustee in bankruptcy, or any representative of any creditors of any stockholder or by the grantee or assignee of any shares sold on execution or otherwise unless the same first shall have been offered for sale to the corporation or if the corporation shall so elect, to a nominee or nominees of the corporation as hereinafter provided:

A. Whenever any such holder, owner, grantee, or assignee shall desire to sell or dispose of shares of the corporation, such holder, owner, grantee or assignee shall first obtain a bona fide offer for the purchase of said shares (hereinafter called the primary offer) and shall then offer to sell said shares to the corporation or to its nominee or nominees

(said offer hereinafter being called the secondary offer) at the price and on the terms contained in said primary offer, notifying the corporation of the name and address of such offeror and of the consideration provided to be paid. The aforesaid secondary offer and notice shall be in writing addressed to the corporation at its office in the Borough of East Paterson, New Jersey. The corporation shall be given a period of thirty days from the receipt of such secondary offer and notice within which to accept or reject said offer. If the corporation has rejected said secondary offer or has failed to accept said secondary offer in writing with respect to such shares within said thirty-day period, either on behalf of itself or on behalf of a nominee or nominees, such holder, owner, grantee or assignee shall be at liberty within sixty days after the expiration of such original thirty-day period to sell and transfer such shares to the person named in said primary offer at the price contained therein. If, however, such shares shall not be so sold or disposed of as aforesaid and the certificates therefor presented to the corporation for transfer within such sixty-day period, such shares again must be offered to the corporation as hereinabove provided before the same or any part thereof can thereafter be sold, assigned or otherwise transferred.

B. No transfer of any shares made in violation of the foregoing provisions shall be recorded on the stock books of the corporation and no dividends shall be paid on such shares.

C. Any notice hereinabove provided to be given by the corporation shall be sufficient if given to the holder of record of any shares at his address appearing on the stock books of the corporation and shall bind the legal representatives or assigns of such holder of record.

"TENTH: The period of existence of this corporation is unlimited."

the said amendments having been declared by resolution of the board of directors of said corporation (above recited) to be advisable, and having been duly and regularly assented to by the vote of two-thirds in interest of each class of stockholders having voting powers, at a meeting duly called by the board of directors for that purpose.

IN WITNESS WHEREOF, said corporation has made this certificate under its seal and the hands of its President and Secretary, the 21 day of April A.D. 1960.

Nicholas Marcolis President

Robert H. Marcolis Secretary

Attest:

Robert H. Marcolis Secretary.

STATE OF NEW JERSEY)
 :SS.
COUNTY OF BERGEN)

BE IT REMEMBERED, that on this 21 day of April A.D. 1960, before me, the subscriber, a Notary Public of New Jersey, personally appeared Robert L. Marcalus, Secretary of the Marcalus Manufacturing Co., Inc., the corporation named in and which executed the foregoing certificate, who, being by me duly sworn, according to law, does depose and say and make proof to my satisfaction that he is the Secretary of said corporation; that the seal affixed to said corporation certificate is the corporate seal of said corporation, the same being well known to him; that it was affixed by order of said corporation; that Nicholas Marcalus is President of said corporation; that he saw said Nicholas Marcalus as such President sign said certificate and affix said seal thereto and deliver said certificate, and heard him declare that he signed, sealed and delivered said certificate as the voluntary act and deed of said corporation, by its order and by authority of its Board of Directors and by the vote, either in person or by proxy, duly constituted and thereunto duly authorized, of more than two-thirds in interest of each class of said stockholders having voting powers, for the uses and purposes therein expressed; and that said Robert L. Marcalus signed his name thereto at the same time as subscribing witness.

Subscribed and sworn to before me this day and year aforesaid.

Stanley H. Winkler
A Notary Public of New Jersey

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 23, 1962

CERTIFICATE OF AMENDMENT OF
CERTIFICATE OF INCORPORATION

OF

MARCALUS MANUFACTURING CO., INC.

CERTIFICATE OF OWNERSHIP AND MERGER

Merging

MARCAL PAPER MILLS CO.
(A California Corporation)

Into

MARCAL PAPER MILLS, INC.
(A New Jersey Corporation)

MARCAL PAPER MILLS, INC., a corporation organized and existing under the laws of the State of New Jersey, does hereby certify:

First: That the location of the principal office of Marcal Paper Mills, Inc. in this State is at 1 Exchange Place, in the City of Jersey City, County of Hudson.

Second: That the name of the agent therein and in charge thereof upon whom process against said corporation may be served is Frederic W. Schumann.

Third: That this corporation owns all of the outstanding shares of the stock of Marcal Paper Mills Co., a corporation organized and existing under the laws of the State of California.

Fourth: That this corporation, by a resolution of its Board of Directors duly adopted by a unanimous vote at a special meeting thereof at 10:00 A.M., held in East Paterson, N.J., on the 22nd day of December, 1967, at which a quorum was present throughout, determined to and did merge into itself said Marcal Paper Mills Co., which resolution has not been rescinded and is in full force and effect on the date hereof, and it is in the following words, to wit:

WHEREAS, this corporation lawfully owns all the outstanding stock of Marcal Paper Mills Co., a corporation organized and existing under the laws of the State of California; and

WHEREAS, this corporation desires to merge into itself the said Marcal Paper Mills Co. and to be possessed of all the estate, property, rights, privileges and franchises of said corporation;

NOW, THEREFORE, be it

RESOLVED, that this corporation merge into itself, and it does hereby merge into itself said Marcal Paper Mills Co., and assumes all of its liabilities and obligations; and

FURTHER RESOLVED, that the president or a vice-president, and the secretary or an assistant secretary, of this corporation be and they are hereby directed to make and execute, under the corporate seal of this corporation, a certificate of ownership and merger setting forth a copy of the resolution to merge said Marcal Paper Mills Co. and assume its liabilities and obligations, and the date of adoption thereof, and to file the same in the office of the Secretary of State of New Jersey; and

FURTHER RESOLVED that the officers of this corporation be and they hereby are authorized and directed to do all acts and things whatsoever, whether within or without the State of New Jersey, which may be in anywise necessary or proper to effect said merger.

IN WITNESS WHEREOF, said Marcal Paper Mills, Inc., has made this certificate of ownership and merger under

its seal and the hands of its president and secretary this
26 day of December, 1967.

[SEAL]

Nicholas Marcalus

Nicholas Marcalus, President

ATTEST:

Charles F. Woolley

Charles F. Woolley, Secretary

Charles F. Woolley

Charles F. Woolley, Secretary

AFFIDAVIT OF NICHOLAS MARCALUS

STATE OF NEW JERSEY)
 :SS.
COUNTY OF BERGEN)

NICHOLAS MARCALUS, of full age, being duly sworn according to law on his oath, deposes and says:

1. I am the President of Marcal Paper Mills, Inc., the parent corporation in the foregoing Certificate of Ownership and Merger, and I am its duly authorized agent in this behalf.

2. I have read the said Certificate of Ownership and Merger and am familiar with the contents thereof.

3. I verily believe that the matters and things set forth in said Certificate of Ownership and Merger are true of my own knowledge.

Nicholas Marcalus

NICHOLAS MARCALUS

Sworn and subscribed to
before me this 20 day
of December, 1967.

Alfred R. L...

A Notary Public of New Jersey

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 21, 1970

AFFIDAVIT OF CHARLES F. WOOLLEY


STATE OF NEW JERSEY)
 :SS.
COUNTY OF BERGEN)

CHARLES F. WOOLLEY, of full age, being duly sworn according to law on his oath, deposes and says:

1. I am the Secretary of Marcal Paper Mills, Inc., the parent corporation in the foregoing Certificate of Ownership and Merger, and I am its duly authorized agent in this behalf.

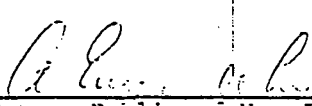
2. I have read the said Certificate of Ownership and Merger and am familiar with the contents thereof.

3. I verily believe that the matters and things set forth in said Certificate of Ownership and Merger are true of my own knowledge.



CHARLES F. WOOLLEY

Sworn and subscribed to
before me this 26 day
of December, 1967.



A Notary Public of New Jersey

NOTARY PUBLIC OF NEW JERSEY
My Commission Expires March 21, 1973

80746
CERTIFICATE OF OWNERSHIP
AND MERGER

Merging

MARCAL PAPER MILLS CO.
(A California corporation)

Into

MARCAL PAPER MILLS, INC.
(A New Jersey Corporation)

DATED: December 20, 1967

FILED AND RECORDED
DEC 27 1967

Robert A. Burt
SECRETARY OF STATE

O'MARA, SCHUMANN, DAVIS & HESSION
1 Exchange Place
Jersey City, N.J. 07302

FILING FEE

RECORDING

12
242

12.00

\$20.00

\$8.00

12.00

24.00

1164.00

377F26



State of New Jersey

Department of the Treasury
Division of Taxation

Corporation Tax Bureau
20 West Front Street
Trenton 08625

Certificate No. **A 40412**

Application No. **45,799**

Fee **\$5.00**

Certificate of Payment of Corporation Franchise Tax

This is to Certify that all Corporation Franchise taxes, fees, penalties and interest levied upon or assessed against

MARCAL PAPER MILLS, INC. *
(Incorporated 4/29/1932)

by the State of New Jersey, in accordance with the provisions of Chapter 162, Laws of 1945 (N.J.S.A. 54:10A-1, et seq.), as amended and supplemented or in accordance with the provisions of Chapter 13 (N.J.S.A. 54:13-1, et seq.) or of Chapter 32A (N.J.S.A. 54:32A-1, et seq.) of Title 54 of the Revised Statutes and all acts amendatory thereof or antecedent or supplementary thereto, have been paid.

N O T E

*THIS CERTIFICATE IS NOT GOOD

AFTER DECEMBER 31, 1967.

WITNESS my hand and official seal at Trenton, this

27th day of December

A.D. 1967


Deputy Director, Division of Taxation



State of New Jersey

Department of the Treasury
Division of Taxation

Corporation Tax Bureau
20 West Front Street
Trenton 08625

Certificate No. **U** 3552

Application No. **45,800**

Fee **\$5.00**

Certificate of Non-Assessment of Corporation Franchise Tax

This is to Certify that there have been no Corporation Franchise taxes levied upon or assessed against **MARCAL PAPER MILLS CO.* (A California Corporation - Not Authorized in New Jersey)**

by the State of New Jersey, in accordance with the provisions of Chapter 162, Laws of 1945 (N.J.S.A. 54:10A-1, et seq.), as amended and supplemented or in accordance with the provisions of Chapter 13 (N.J.S.A. 54:13-1, et seq.) or of Chapter 32A (N.J.S.A. 54:32A-1, et seq.) of Title 54 of the Revised Statutes and all acts amendatory thereof or antecedent or supplementary thereto.

N O T E *THIS CERTIFICATE IS NOT GOOD
AFTER DECEMBER 31, 1967.

WITNESS my hand and official seal at Trenton, this

27th day of December

A.D. 1967


Deputy Director, Division of Taxation

09/28/76

80/8

CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF INCORPORATION
OF
MARCAL PAPER MILLS, INC.

To: The Secretary of State
of the
State of New Jersey

Pursuant to the provisions of Section 14A:9-2(4) and Section 14A:9-4(3), Corporations, General, of the New Jersey Statutes, the undersigned corporation hereby executes the following Certificate of Amendment to its Certificate of Incorporation:

FIRST: The name of the corporation is MARCAL PAPER MILLS, INC.

SECOND: The following amendment to the Certificate of Incorporation of the corporation was approved by the directors and thereafter duly adopted by the shareholders of the Corporation on the 23rd day of September, 1976.

1. Article FOURTH of the Certificate of Incorporation is hereby amended in its entirety to read as follows:

"FOURTH: (a) The aggregate number of shares which the corporation shall have authority to issue is 35,043 shares consisting of 32,043 shares of \$8 Cumulative Preferred Stock, par value \$100 per share (the "Preferred Stock"), and 3,000 shares of Common Stock, par value \$100 per share (the "Common Stock").

"(b) The relative rights, preferences and limitations, and the restrictions on the transfer and registration of transfer, of the shares of each class of stock are as follows:

"I. Preferred Stock.

"1. The Preferred Stock shall rank prior, with respect to both dividends and distribution of assets, to the Common Stock.

"2. The holders of the Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any funds legally available therefor, cumulative preferential dividends in cash, at the rate of \$8 per annum, and no more, payable quarterly on the first day of January, April, July and October in each year (provided that the first dividend on the Preferred Stock, consisting of all amounts accrued from April 1, 1977, shall be paid on October 1, 1977) to shareholders of record at the close of business on the 15th day of December, March, June and September, as the case may be, immediately preceding a dividend payment date. Dividends on shares of Preferred Stock shall accrue, without interest, from the later of April 1, 1977 or the date of issuance thereof and shall be cumulative (whether or not in any dividend period or periods there shall be net proceeds or net assets of the corporation legally available for the payment of such dividend).

"3. So long as any Preferred Stock is outstanding, in no event shall any dividends whatsoever, whether in cash, stock or otherwise, be paid or declared, or any distribution be made, on any shares of Common Stock (other than dividends payable in shares of Common Stock), nor shall any shares of such Common Stock be purchased, redeemed, retired or otherwise acquired for a valuable consideration by the corporation, unless all dividends on the Preferred Stock for all past quarterly dividend periods shall have been paid, or declared and a sum sufficient for the payment thereof set apart, and the full dividend thereon for the then current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart.

"4. Subject to the provisions of Paragraph 5 hereof, the corporation, at its option, may redeem the Preferred Stock in the manner hereinafter described, in whole or in part at any time, or from time to time, on or after November 1, 1981, at \$100 per share plus an amount equal to accrued and unpaid dividends to the date of such redemption (the total of such \$100 and such accrued and unpaid dividends being herein called the "Redemption Price"). In the event the corporation shall elect to redeem less than all the Preferred Stock outstanding, the corporation may select the shares to be redeemed by lot (the Board of Directors having full power and authority to prescribe the manner in which the drawings by lot shall be conducted)

or pro rata, or in any other equitable manner as the Board of Directors shall determine. Notice of redemption shall be given at least 30 days in advance of the date determined by the Board of Directors for such redemption (the "Redemption Date") to each holder of record of shares so to be redeemed at such holder's address as the same shall appear on the books of the corporation as of the date such notice is given. Such notice shall state the Redemption Date and the Redemption Price. The holder or holders of shares of Preferred Stock to be redeemed shall deliver to the corporation, at its principal place of business, on or after the Redemption Date, the certificate or certificates representing such shares, properly endorsed for transfer to the corporation, against payment of the Redemption Price of such shares in cash. Any Federal or State documentary stamp tax payable on the transfer to the corporation of the shares to be redeemed shall be paid by the corporation. The Board of Directors may cause the transfer books of the corporation to be closed as to the shares of Preferred Stock to be redeemed. If notice of redemption shall have been given as aforesaid, and if on or before the Redemption Date the funds necessary for such redemption shall have been deposited by the corporation in trust for the account of the holders of the Preferred Stock to be redeemed, with a bank or trust company in good standing organized under the laws of the United States of America

or of the State of New Jersey, with capital and surplus of not less than \$10,000,000, designated in such notice of redemption, with irrevocable instructions and authority to pay the Redemption Price to the holders of the shares of Preferred Stock so called for redemption upon surrender of the certificates therefor, then from and after the Redemption Date, notwithstanding that any certificates for such shares shall not have been surrendered for cancellation, such shares shall be deemed to be no longer outstanding, the right to receive cumulative dividends thereon shall cease to accrue from and after the Redemption Date and the holders of such shares shall have no further rights as such holders or interest or claim against the corporation with respect to such shares, except the right to receive payment of the Redemption Price of such shares without interest upon delivery of the certificates for such shares in the manner provided above.

"5. So long as any Preferred Stock is outstanding, unless all dividends on the Preferred Stock for all past quarterly dividend periods shall have been paid, or declared and a sum sufficient for the payment thereof set apart, and the full dividend thereon for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart, the corporation shall not purchase or otherwise acquire for a valuable consideration or redeem (except in the case of the purchase, acquisition or redemption of all outstanding

shares of Preferred Stock) any shares of the Preferred Stock.

"6. Each share of the Preferred Stock shall have the right and power to vote on any question or in any proceeding and to be represented at and to receive notice of any meeting of shareholders. Except as otherwise provided in this Section I of Paragraph (b) of Article FOURTH and except as may be otherwise required by law, the holders of the Preferred Stock shall vote together with the holders of the Common Stock as a single class. On any matters on which the holders of the Preferred Stock shall be entitled to vote, they shall be entitled initially to .01 vote for each share held. In the event of any change in the Common Stock of the corporation through stock dividends, stock splits or reverse stock splits, the number of votes per share to which each holder of the Preferred Stock is entitled shall be proportionately increased or decreased, as the case may be, so that the votes exercisable by the holders of all the outstanding shares of Preferred Stock shall be the same percentage of the total votes exercisable by the holders of all the outstanding Common Stock and Preferred Stock both before and after such transaction. In addition, if at any time cumulative dividends upon the Preferred Stock shall be in arrears for six or more quarterly dividends periods, then until the corporation shall have paid all dividends in arrears on all the Preferred Stock then outstanding,

the holders of record of the shares of the Preferred Stock voting as a separate class at the annual meeting of the shareholders of the corporation next held and at all subsequent annual meetings until all accrued and unpaid dividends on the Preferred Stock shall have been paid in full, shall have the right to elect two additional members of the Board of Directors. If any member of the Board of Directors so elected by the holders of the Preferred Stock ceases to be a director for any reason prior to the next annual meeting of the shareholders of the corporation, a special meeting of shareholders shall be called at which meeting the holders of record of the shares of Preferred Stock voting as a separate class shall have the right to fill such vacancy. Upon the payment in full of all such dividends in arrears, the right of the holders of the Preferred Stock to elect two additional members of the Board of Directors and to fill vacancies on the Board of Directors as provided above shall cease, subject, however, to revival whenever such dividends on the Preferred Stock shall again be in arrears for six or more quarterly dividend periods.

"7. In the event of any liquidation, dissolution or winding up of the corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of the Common Stock, the holders of the Preferred Stock shall be entitled to be paid \$100 per share plus an amount equal to all accrued and unpaid dividends

thereon to the date of payment thereof. If the assets of the corporation, or proceeds thereof, distributable among the holders of shares of Preferred Stock shall be insufficient to pay such amount in full, then such assets, or the proceeds thereof, shall be distributed among such holders ratably in accordance with the respective amounts which would be payable on such shares if the assets or the proceeds thereof were sufficient to make payment in full. A liquidation, dissolution or winding up of the corporation shall not be deemed to be occasioned by or to include any consolidation or merger of the corporation with or into, or the conveyance by the corporation of all or substantially all its assets to, any other corporation or corporations.

"8. So long as any of the Preferred Stock is outstanding, the corporation shall not (i) amend, alter or repeal any of the provisions hereof so as to affect adversely the rights, powers or preferences of the Preferred Stock or of the holders thereof, (ii) increase the authorized amount of Preferred Stock; (iii) create or authorize any class or series of stock ranking prior to the Preferred Stock in respect of dividends or distribution of assets (unless such shares are to be issued solely in order to effect the retirement of all outstanding shares of the Preferred Stock); or (iv) sell, lease, exchange or transfer, or otherwise dispose of, all or substantially all its property and

assets, or merge or consolidate with or into any other corporation or corporations (other than any mortgage, pledge or other hypothecation of property of the corporation, or any merger or consolidation of the corporation with or into another corporation, all of the outstanding capital stock of which at the time of such merger or consolidation is owned by the corporation), without in each case the consent of the holders of at least a majority of the total number of outstanding shares of the Preferred Stock voting as a class, given in person or by proxy, at a meeting called for that purpose.

"9. So long as any Preferred Stock is outstanding, unless all dividends on the Preferred Stock for all past quarterly dividend periods shall have been paid, or declared and a sum sufficient for the payment thereof set apart, and the full dividend thereon for the current quarterly dividend period shall have been paid or declared and a sum sufficient for the payment thereof set apart, the corporation shall not issue any shares of any class or series of stock ranking on a parity with the Preferred Stock in respect of dividends or distributions of assets (unless such shares are to be issued solely in order to effect the retirement of all outstanding shares of the Preferred Stock).

"10. Shares of the Preferred Stock which have been issued and subsequently reacquired in any manner shall (upon compliance with any applicable provisions of the laws of the State of New Jersey) be cancelled and may not thereafter be reissued.

"11. The shares of the Preferred Stock shall not have any preferences, voting rights, limitations or other special rights and powers other than as set forth herein.

"II. Common Stock.

"1. Subject to the prior and superior rights of the holders of Preferred Stock, the holders of the Common Stock shall be entitled to receive such dividends (payable in cash, securities or otherwise) as may be declared by the Board of Directors and paid on the Common Stock from time to time out of any funds legally available therefor.

"2. Subject to the voting rights conferred on the Preferred Stock, the Common Stock shall possess full voting power for all purposes and in the exercise of such voting power the Common Stock shall be entitled to one vote for each share held.

"3. After payment has been made in full to the holders of the Preferred Stock in the event of any liquidation, dissolution or winding up of the affairs of the corporation, the remaining assets and funds of the corporation shall be distributed among the holders of the Common Stock according to their respective shares.

"III. Preemptive Rights.

"The holders of Common Stock, but not the Preferred Stock, shall have preemptive rights as described in Section 14A:5-29(3) of the New Jersey Business Corporation Act, as

at any time amended, and any similar or successor provision of law.

"IV. Restrictions on Transfer and Registration of Transfer of Shares:

"1. With the exception of transfers in the case of a deceased shareholder to his executors or administrators, and with the exception of transfers consented to in writing by the then holders of all outstanding shares, no shares of the corporation shall be sold, assigned or otherwise transferred by any holder thereof or any successor or transferee of the holder (all of the foregoing being hereafter collectively called the "Seller") unless such shares first shall have been offered for sale to the corporation, a nominee of the corporation or the other shareholders of the corporation, as hereinafter provided:

"A. Whenever any such Seller shall desire to sell or dispose of shares of the corporation, such Seller shall first obtain a bona fide offer for the purchase of said shares. The Seller shall then give to the corporation, at its principal office in New Jersey, written notice (the "Notice") of the proposed sale, the terms thereof, and the name and address of the proposed purchaser. The corporation shall mail a copy

of the Notice to each registered holder of outstanding shares of the corporation. The Notice shall constitute an offer by the Seller to sell such shares first to the corporation (or its nominee), second to the other holders of outstanding shares of the same class of shares proposed to be sold, and third to the holders of outstanding shares of the other class of stock of the corporation at the price per share and on the terms set forth in the Notice. Prior to the expiration of a period of 30 days following receipt of the Notice by the corporation, the corporation shall mail to the Seller and to each registered holder of outstanding shares of the corporation a notice of acceptance of such offer, in whole or in part, or rejection of such offer by the corporation (or its nominee). Unless such offer is accepted in full by the corporation (or its nominee), the other holders of outstanding shares of the corporation, until the expiration of 60 days from the receipt of the Notice by the corporation, may accept the Seller's offer in whole or in part and purchase from the Seller all or any part of such shares which are not purchased by the corporation (or its nominee) at the price per share and on the terms set forth in the Notice. With respect to purchases by the shareholders, the shares shall be allocated first to the other holders of outstanding shares of the same class of stock as that being offered by the Seller, each of whom shall

have the right to purchase such portion of the remaining stock offered for sale as the number of shares owned by him at such date shall bear to the total number of outstanding shares of said class, excluding the shares held by the Seller, provided, however, that if any shareholder does not purchase his full proportionate share of the stock the other shareholders who have agreed to purchase their full proportionate share shall have the right to buy the balance in similar ratio, or as they may otherwise agree.

Any remaining unsubscribed shares shall then be allocated to the holders of outstanding shares of the other class of stock for purchase in like manner. The Seller shall have the right during a period of 30 days after the expiration of such 60-day period to sell the shares not accepted by either the corporation (or its nominee) or the other shareholders to the purchaser named in the Notice at the price and on the terms set forth therein, which purchaser shall hold the shares subject to the within restrictions on transfer and registration of transfer of shares. If such shares are not so sold within such 30-day period, the transfer of such shares by the Seller shall again be subject to the restrictions and procedures of this Section IV.

"B. If either the corporation (or its nominee) or any shareholder accepts the offer of the Seller in whole or in part, the sale shall be closed at the principal office of the corporation in New Jersey, at a time fixed by the

corporation (or its nominee) or such shareholder, as the case may be, which time shall be not later than 90 days following receipt of the Notice by the corporation. At the closing, the Seller shall deliver to the corporation (or its nominee) or to the purchasing shareholders, as the case may be, against payment therefor by certified or cashier's check, the certificates for the shares being sold, duly endorsed for transfer, and with such assignments, signature guarantees, and tax transfer stamps as may be required by the corporation (or its nominee) or such purchasing shareholders.

"2. No transfer of any shares of stock of the corporation in violation of the foregoing provisions shall be valid, and, until such provisions are complied with,

(i) the corporation shall not register any such transfer of any of said shares on the stock books of the corporation, nor issue any certificate or certificates therefor to the shareholder or to the successor or transferee of the shareholder;

(ii) the corporation shall have no obligation to pay and neither the shareholder nor the successor or transferee of the shareholder shall have any right to receive dividends or other distributions on such shares; and

(iii) neither the shareholder nor the successor or transferee of the shareholder shall have any voting,

conversion, option or other rights on such shares.

"3. Any notice hereinabove provided to be given by the corporation shall be sufficient if given to the holder of record of any shares at his address appearing on the stock books of the corporation and shall bind the successor or transferee of such holder of record."

2. Article NINTH of the Certificate of Incorporation is hereby deleted and Article TENTH of the Certificate of Incorporation shall be renumbered as Article NINTH.


THIRD: At the time of the adoption of the foregoing amendment to the Certificate of Incorporation, the total number of shares entitled to vote thereon was 1,806.57.

FOURTH: In lieu of a meeting and vote of shareholders, the foregoing amendment of the Certificate of Incorporation was duly adopted by the shareholders in the manner provided in Section 14A:5-6 of the New Jersey Business Corporation Act pursuant to the written consents of each of the holders of such 1,806.57 outstanding shares.

Dated this 28th day of September, 1976.

MARCAL PAPER MILLS, INC.

By


Robert L. Marcalus
President

FILED & RECORDED

CERTIFICATE OF AMENDMENT
TO THE
CERTIFICATE OF INCORPORATION
OF
MARCAL PAPER MILLS, INC.

DEC 29 1976

J. Edward L. Smith
SECRETARY OF STATE

To: The Secretary of State
of the
State of New Jersey

Pursuant to the provisions of Section 14A:9-2(4)
and Section 14A:9-4(3), Corporations, General, of the New
Jersey Statutes, the undersigned corporation hereby executes
the following Certificate of Amendment to its Certificate of
Incorporation:

FIRST: The name of the corporation is MARCAL PAPER
MILLS, INC.

SECOND: The following amendment to the Certificate
of Incorporation of the corporation was approved by the
directors and thereafter duly adopted by the shareholders
of the Corporation on the 29th day of December, 1976.

1. Paragraph 2 of Section I of Paragraph (b) of
Article FOURTH of the Certificate of Incorporation is hereby
amended in its entirety to read as follows:

"2. A. The holders of the Preferred Stock shall
be entitled to receive, when and as declared by the Board of
Directors, out of the surplus of the corporation legally

available for dividends, preferential dividends in cash, at the rate of \$8.00 per share per annum, and no more, and a partial dividend if such dividend cannot be paid in full; provided, however, that notwithstanding the foregoing or anything in the certificate of incorporation or in the by-laws of the corporation otherwise contained, the Board of Directors, without discretion, shall declare, the holders of the Preferred Stock shall be entitled to receive, and the corporation shall be bound to pay thereon, but only out of the earned surplus of the corporation, mandatory preferential dividends in cash, at the rate of \$2.00 per share per annum of such \$8.00 per share per annum, and a partial dividend if such dividend cannot be paid in full. The foregoing requirement as to mandatory preferential dividends out of earned surplus only if such surplus is available therefor is to be considered in the highest degree mandatory, admitting of no exception whatever, save only when the corporation is insolvent or would thereby be made insolvent.

B. All dividends shall be payable quarterly on the first day of January, April, July and October in each year (provided that the first dividend on the Preferred Stock, consisting of all amounts accrued from April 1, 1977, shall be payable on October 1, 1977) to shareholders ;

of record at the close of business on the 15th day of December, March, June and September, as the case may be, immediately preceding a dividend payment date.

C. All dividends on shares of Preferred Stock shall accrue, without interest, from the later of April 1, 1977 or the date of issuance thereof and shall be cumulative (whether or not in any dividend period or periods the same are earned and whether or not surplus is available therefor), it being expressly understood that if the mandatory dividends required by this paragraph shall not be paid in full for any dividend period or periods for any reason whatever, such unpaid amount shall accrue, without interest, and shall be cumulative on a mandatory basis during each succeeding dividend period until such mandatory dividends are paid in full."

2. The first sentence of Paragraph 4 of Section I of Paragraph (b) of Article FOURTH of the Certificate of Incorporation is hereby amended in its entirety to read as follows (the remaining sentences of said Paragraph 4 of Section I of Paragraph (b) of Article FOURTH of the Certificate of Incorporation being continued in effect with no change):

"Subject to the provisions of Paragraph 5 hereof, the corporation, at its option, may redeem

the Preferred Stock in the manner hereinafter described, in whole or in part at any time, or from time to time, on or after February 1, 1982, at \$100 per share plus an amount equal to accrued and unpaid dividends to the date of such redemption (the total of such \$100 and such accrued and unpaid dividends being herein called the "Redemption Price")."

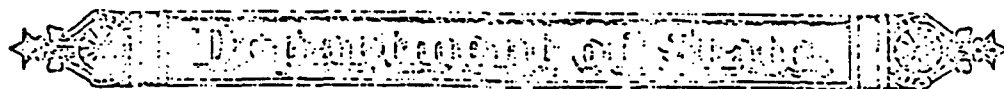
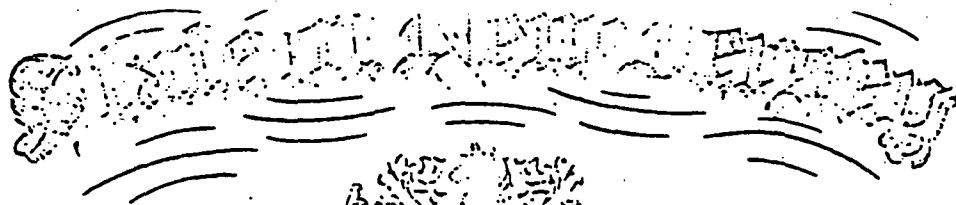
THIRD: At the time of the adoption of the foregoing amendment to the Certificate of Incorporation, the total number of shares of Common Stock outstanding and entitled to vote thereon was 1,086.57 and no shares of Preferred Stock were outstanding.

FOURTH: In lieu of a meeting and vote of shareholders, the foregoing amendment of the Certificate of Incorporation was duly adopted by the shareholders in the manner provided in Section 14A:5-6 of the New Jersey Business Corporation Act pursuant to the unanimous written consents of each of the holders of such 1,206.57 outstanding shares of Common Stock.

Dated this 29th day of December, 1976.

MARCAL PAPER MILLS, INC.

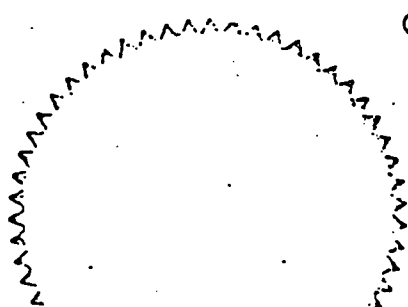
By Robert L. Marcalus
Robert L. Marcalus
President



I, the Secretary of State of the State
of New Jersey, do hereby Certify that the foregoing is a true
copy of Certificate of Amendment of MARCAL PAPER MILLS, INC.

_____ and the endorsements thereon;
as the same is taken from and compared with the original filed
in my office on the 29th day of December A. D.
1976, and now remaining on file and of record therein.

In Testimony Whereof, I have hereunto
set my hand and affixed my Official
Seal at Trenton, this 29th
day of December A. D. 1976



STATEMENT OF CANCELLATION
OF REACQUIRED SHARES OF

MARCAL PAPER MILLS, INC.

To: The Secretary of State
State of New Jersey

Pursuant to the provisions of Section 14A:7-18, Corporations,
General, of the New Jersey Statutes, the undersigned corporation hereby
submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is MARCAL PAPER MILLS, INC.
2. The number of shares cancelled is 1015.6425; itemized as

follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1015.6425

3. The date of adoption of the resolution of the Board of Directors
cancelling such shares was the 29th day of December, 1976.

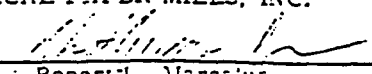
4. The aggregate number of issued shares of the corporation after
giving effect to such cancellation is 33,474.3375; itemized as follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1431.3375
\$8 Cumulative Preferred Stock, par value \$100 per share	32043.

5. The amount of stated capital of the corporation after giving effect
to such cancellation is \$3,347,434, of which \$143,134 represents Common
Stock and \$3,204,300 represents Preferred Stock.

Dated this day of January, 1977.

MARCAL PAPER MILLS, INC.

By: 
Robert L. Mancatus
President

STATEMENT OF CANCELLATION
OF REACQUIRED SHARES OF

MARCAL PAPER MILLS, INC.

To: The Secretary of State
State of New Jersey

Pursuant to the provisions of Section 14A:7-18, Corporations,
General, of the New Jersey Statutes, the undersigned corporation hereby
submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is MARCAL PAPER MILLS, INC.
2. The number of shares cancelled is 1015.5425; itemized as

follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1015.5425

3. The date of adoption of the resolution of the Board of Directors
cancelling such shares was the 20th day of December, 1976.

4. The aggregate number of issued shares of the corporation after
giving effect to such cancellation is 33,474.3375; itemized as follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1431.3375
\$8 Cumulative Preferred Stock, par value \$100 per share	32043.

5. The amount of stated capital of the corporation after giving effect
to such cancellation is \$3,347,434, of which \$143,134 represents Common
Stock and \$3,204,300 represents Preferred Stock.

Dated this 4 day of January, 1977.

MARCAL PAPER MILLS, INC.

By: 

Robert L. Marcalus
President

the Preferred Stock in the manner hereinafter described, in whole or in part at any time, or from time to time, on or after February 1, 1982, at \$100 per share plus an amount equal to accrued and unpaid dividends to the date of such redemption (the total of such \$100 and such accrued and unpaid dividends being herein called the "Redemption Price")."

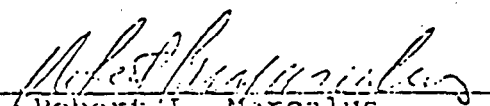
THIRD: At the time of the adoption of the foregoing amendment to the Certificate of Incorporation, the total number of shares of Common Stock outstanding and entitled to vote thereon was 1,086.57 and no shares of Preferred Stock were outstanding.

FOURTH: In lieu of a meeting and vote of shareholders, the foregoing amendment of the Certificate of Incorporation was duly adopted by the shareholders in the manner provided in Section 14A:5-6 of the New Jersey Business Corporation Act pursuant to the unanimous written consents of each of the holders of such 1,806.57 outstanding shares of Common Stock.

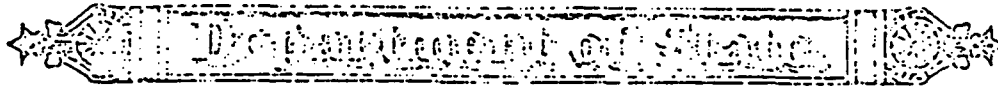
Dated this 29th day of December, 1976.

MARCAL PAPER MILLS, INC.

By


Robert L. Marcalus

President



Certificate of Amendment of MARCAL PAPER MILLS, INC.

1976

29th

December

A. D. 1976

STATEMENT OF CANCELLATION
OF REACQUIRED SHARES OF

MARCAL PAPER MILLS, INC.

To: The Secretary of State
State of New Jersey

Pursuant to the provisions of Section 14A:7-18, Corporations,
General, of the New Jersey Statutes, the undersigned corporation hereby
submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is MARCAL PAPER MILLS, INC.
2. The number of shares cancelled is 1015.6425; itemized as

follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1015.6425

3. The date of adoption of the resolution of the Board of Directors
cancelling such shares was the 29th day of December, 1976.

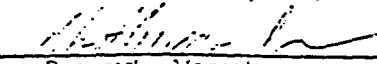
4. The aggregate number of issued shares of the corporation after
giving effect to such cancellation is 33,474.3375; itemized as follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1431.3375
\$3 Cumulative Preferred Stock, par value \$100 per share	32043.

5. The amount of stated capital of the corporation after giving effect
to such cancellation is \$3,347,434, of which \$143,134 represents Common
Stock and \$3,204,300 represents Preferred Stock.

Dated this day of January, 1977.

MARCAL PAPER MILLS, INC.

By: 
Robert L. Giacatus
President

STATEMENT OF CANCELLATION
OF REACQUIRED SHARES OF

MARCAL PAPER MILLS, INC.

To: The Secretary of State
State of New Jersey

Pursuant to the provisions of Section 14A:7-18, Corporations,
General, of the New Jersey Statutes, the undersigned corporation hereby
submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is MARCAL PAPER MILLS, INC.
2. The number of shares cancelled is 1015.6425; itemized as

follows:

<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1015.6425

3. The date of adoption of the resolution of the Board of Directors
cancelling such shares was the 28th day of December, 1976.

4. The aggregate number of issued shares of the corporation after
giving effect to such cancellation is 33,474.3375; itemized as follows:


<u>Class</u>	<u>No. of Shares</u>
Common Stock, par value \$100 per share	1431.3375
\$8 Cumulative Preferred Stock, par value \$100 per share	32043.

5. The amount of stated capital of the corporation after giving effect
to such cancellation is \$3,347,434, of which \$143,134 represents Common
Stock and \$3,204,300 represents Preferred Stock.

Dated this 7 day of January, 1977.

MARCAL PAPER MILLS, INC.

By:


Robert L. Marcalus
President

FILED & RECORDED

JAN 19 1977

James L. White
SHERIFF OF NEW JERSEY

LICENSE FEE	25.00
FILE FEE	25.00
CERTIFYING COPY	25.00
TOTAL	75.00

EX-REC-2

DSD

97685

Scheumann, Hession, Kennelly + Dormant
30 Montgomery St.
Jersey City, N.J. 07302

CERTIFICATE OF MERGER

merging

MARCAL, INC.
(an Illinois corporation)

into

MARCAL PAPER MILLS, INC.
(a New Jersey corporation)

FILED

FEB 22 1957

J. Edward Walsh
SECRETARY OF STATE

TO: THE SECRETARY OF STATE
STATE OF NEW JERSEY

Pursuant to the provisions of Sections 14A:10-5 and 14A:10-7(4) of the New Jersey Business Corporation Act, the undersigned parent corporation hereby executes the following Certificate of Merger to effect the merger into itself of its wholly owned Illinois subsidiary corporation.

ARTICLE ONE

The names of the corporations proposing to merge and the names of the States under the laws of which such corporations are organized and existing are as follows:

<u>Name of Corporation</u>	<u>State of Incorporation</u>
Marcal Paper Mills, Inc.	New Jersey
Marcal, Inc.	Illinois

Marcal, Inc., which is hereinafter sometimes referred to as the subsidiary corporation, shall merge into Marcal Paper Mills, Inc., which is hereinafter sometimes referred to as the parent corporation or the surviving corporation. The surviving corporation shall continue to exist as a corporation incorporated under and governed by the laws of the State of New Jersey under the name Marcal Paper Mills, Inc. The laws of Illinois, the State under which such foreign corporation, Marcal, Inc., is organized, permit such merger.

ARTICLE TWO

Attached hereto as Exhibit A and made a part hereof is a true copy of the Plan of Merger for merging the said subsidiary corporation into the parent corporation.

Said Plan of Merger

- (a) was approved by the Board of Directors of the undersigned surviving corporation by resolutions of said Board duly adopted on February 18, 1977, without a meeting, pursuant to the written consent of all directors thereof, which consent is filed with the minutes of the proceedings of said Board in the manner provided by law; and
- (b) was not required by applicable law to be approved by the Board of Directors of the Illinois subsidiary corporation, Marcal, Inc., or by the shareholders of either of the corporations parties to the merger.

ARTICLE THREE

The total number of shares of stock of all classes which the surviving corporation has authority to issue is 35,043 shares, divided into 3,000 shares of common stock, of the par value of \$100.00 each, and 32,043 shares of \$8 cumulative preferred stock, of the par value of \$100.00 each. The number of said shares is not increased by the Plan of Merger beyond the present number of shares which the surviving corporation is authorized to issue. The Plan of Merger contains no provision changing any part of the certificate of incorporation of the surviving corporation.

ARTICLE FOUR

The address of the registered office of the surviving corporation in the State of New Jersey is 30 Montgomery Street, Jersey City, New Jersey 07302. Frederic W. Schumann is the registered agent upon whom process against the surviving corporation may be served within said State. Said registered office and registered agent shall continue as such with respect to the surviving corporation until changed in the manner provided by law.

ARTICLE FIVE

The number of outstanding shares of each class and series of the subsidiary corporation which is a party to the merger, and the number of such shares of each class and series owned by the parent corporation, are as follows:

<u>Name of Subsidiary</u>	<u>Class</u>	<u>Series</u>	<u>Number of Shares Outstanding</u>	<u>Number of Shares Owned By Parent</u>
Marcal, Inc.	Common No Par	None	552	552

ARTICLE SIX

Pursuant to said Plan of Merger, hereto annexed, the merger shall become effective for all purposes under Illinois law upon the filing of Articles of Merger to the foregoing effect with the Illinois Secretary of State and shall become effective for all purposes under New Jersey law at the close of business of Marcal Paper Mills, Inc. (deemed to be 5:00 P.M., prevailing time) of the day on which this Certificate of Merger is filed with the New Jersey Secretary of State.

IN WITNESS WHEREOF the undersigned parent corporation has caused this Certificate of Merger to be signed in its corporate name and on its behalf by its President and its corporate seal to be hereto affixed and attested by its Secretary on this 24 day of February, 1977.

(CORPORATE SEAL)

ATTEST:

Mary Lovas
Mary Lovas
Secretary

MARCAL PAPER MILLS, INC.

By: R. L. Marcalus
R. L. Marcalus
President

Resolutions Adopted by Board of Directors of Marcal Paper Mills, Inc.,
a New Jersey corporation, for the merger into Marcal Paper Mills, Inc.,
of its wholly owned subsidiary, Marcal, Inc., an Illinois corporation

WHEREAS, the Board of Directors of this corporation, Marcal Paper Mills, Inc., a New Jersey corporation (the "Parent"), has determined that it is advisable and in the best interests of the Parent that Marcal, Inc., an Illinois corporation (the "Subsidiary"), all of whose issued and outstanding shares are owned by the Parent, be merged with and into the Parent in accordance with the terms of the Plan of Merger set forth below; and

WHEREAS, both the Parent and Subsidiary are solvent and such merger is permitted by action of this Board of Directors of the Parent under the laws of the State of New Jersey and of the State of Illinois;

NOW, THEREFORE, BE IT RESOLVED, that the Subsidiary shall be merged into the Parent which shall be the surviving corporation, and upon the effectiveness of the merger the Parent shall succeed to all the assets, properties and liabilities of the Subsidiary;

FURTHER RESOLVED, that no shares of the Parent are to be issued, nor any other consideration given, for shares of the Subsidiary, but upon the merger becoming effective, the shares of stock of the merged Subsidiary shall be surrendered for cancellation by the Parent surviving the merger. Each share of common stock and each share of preferred stock of the Parent issued and outstanding upon the effectiveness of the merger shall not be changed or converted, and shall continue to be issued and outstanding; provided, however, that all shares of common stock of the Parent held by the merged Subsidiary shall be cancelled;

FURTHER RESOLVED, that the proper officers of the Parent, which shall include the President or any Vice President and the Secretary or any Assistant Secretary, are hereby authorized and directed

- (i) to prepare, execute and file, in conformity with Section 66a of the Business Corporation Act of Illinois, Articles of Merger to the foregoing effect, and the merger shall become effective for all purposes under Illinois law upon the filing of such Articles of Merger with the Illinois Secretary of State;
- (ii) to prepare, execute and file, in conformity with Sections 14A:10-5 and 14A:10-7(4) of the New Jersey Business Corporation Act, a Certificate of Merger with respect to said merger, and the merger shall become effective for all purposes under New Jersey law at the close of business of Marcal Paper Mills, Inc. (deemed to be 5:00 P.M., prevailing time) of the day on which a Certificate of Merger is filed with the New Jersey Secretary of State; and
- (iii) to execute and deliver on behalf of the Parent such other contracts, guaranties, certificates and other documents as may be required to effect the said merger, and to do all such acts and things whatsoever on behalf of the Parent, whether within or without the State of New Jersey, which may be necessary or proper to effect said merger in accordance with this Plan of Merger;

FURTHER RESOLVED, that the equivalent officers of the Subsidiary are hereby given like authority and direction in the case of their corporation to execute and deliver such documents and to do all such acts and things which may be necessary or proper to effect said merger in accordance with these resolutions and in accordance with this Plan of Merger.

CERTIFICATE OF MERGER

merging

MARCAL, INC.
(an Illinois corporation)

into

MARCAL PAPER MILLS, INC.
(a New Jersey corporation)

DATED: February 24, 1977

SCHUMANN, HESSION, KENNELLY
& DORMENT
30 Montgomery Street
Jersey City, New Jersey 07302

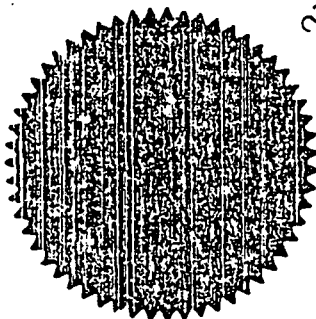
State of New Jersey



Department of State

I, the Secretary of State of the State
of New Jersey, do hereby Certify that the foregoing is a true
copy of Certificate of Merger of MARCAL, INC., an Illinois Corporation into
MARCAL PAPER MILLS, INC.

_____ and the endorsements thereon,
as the same is taken from and compared with the original filed
in my office on the 25th day of February A.D.
1977, and now remaining on file and of record therein.



In Testimony Whereof, I have hereunto
set my hand and affixed my Official
Seal at Trenton, this 25th
day of February A.D. 1977

[Signature]

Secretary of State

CERTIFICATE OF MERGER

merging

MARCAL CO.
ERA HOLDING CO., INC.
MARCAL PULP AND PAPER, INC.
and
FRANCONIA PAPER MILLS, INC.
(each a New Jersey corporation)

with and into

MARCAL PAPER MILLS, INC.
(a New Jersey corporation)

TO: THE SECRETARY OF STATE
STATE OF NEW JERSEY

Pursuant to the provisions of Sections 14A:10-1 and 14A:10-5(7)
of the New Jersey Business Corporation Act, the undersigned corporations
hereby execute the following Certificate of Merger.

ARTICLE ONE

The names of the corporations proposing to merge and the
names of the States under the laws of which such corporations are organized
are as follows:

<u>Name of Corporation</u>	<u>State of Incorporation</u>
Marcac Paper Mills, Inc.	New Jersey
Marcac Co.	New Jersey
Era Holding Co., Inc.	New Jersey
Marcac Pulp and Paper, Inc.	New Jersey
Franconia Paper Mills, Inc.	New Jersey

ARTICLE TWO

The name of the surviving corporation is Marcac Paper Mills,
Inc., which is hereinafter sometimes referred to as the parent corporation
or the surviving corporation. The surviving corporation shall continue to
exist as a corporation incorporated under and governed by the laws of the
State of New Jersey.

FILED

FEB 28 1977

g. Edward L. Smith
SECRETARY OF STATE

. . 2 .

ARTICLE THREE

Attached hereto as Exhibit A and made a part hereof is a true copy of the Plan of Merger for merging Marcal Co., Era Holding Co., Inc., Marcal Pulp and Paper, Inc., and Franconia Paper Mills, Inc. with and into Marcal Paper Mills, Inc.

Said Plan of Merger

(a) was approved by the Board of Directors of each of said five constituent corporations by resolutions of each said Board duly adopted on February 28, 1977, without a meeting, pursuant to the written consent of all directors of each said Board which consent is filed with the minutes of the proceedings of each said Board in the manner provided by law; and

(b) was approved by all of the shareholders of each of said five constituent corporations entitled to vote thereon by resolutions of the shareholders of each said corporation duly adopted on February 28, 1977, without a meeting, pursuant to the written consent of all such shareholders, each of which consents is filed with the minutes of the proceedings of shareholders of each said corporation in the manner provided by law.

ARTICLE FOUR

As to each constituent corporation whose shareholders are entitled to vote, the number of shares entitled to vote and, if the shares of any class are entitled to vote as a class, the designation and number of shares of each such class are as follows:

<u>Name of Corporation</u>	<u>Number of Shares Entitled to Vote</u>	<u>Designation and Number of Shares Entitled to Vote as a Class (if any)</u>
Marcal Paper Mills, Inc.	32,833.9275 shares	All outstanding shares of common stock (790,9275 shares), and all outstanding shares of \$8 cumulative preferred stock (32,043 shares), voting as a single class; the aggregate total number of all such shares is 32,833.9275 shares.
	32,043 shares	All outstanding shares of \$8 cumulative preferred stock (32,043 shares), voting as a single class.

<u>Name of Corporation</u>	<u>Number of Shares Entitled to Vote</u>	<u>Designation and Number of Shares Entitled to Vote as a Class (if any)</u>
Marcal Co.	558 shares, common	None
Era Holding Co., Inc.	37.75 shares, common	None
Marcal Pulp and Paper, Inc.	2,009 shares, common	None
Franconia Paper Mills, Inc.	600 shares, common	All outstanding shares of common stock (600 shares), voting as a single class.

ARTICLE FIVE

As to each constituent corporation whose shareholders are entitled to vote, the number of shares that voted for and against said Plan of Merger respectively, and the number of shares of any class entitled to vote as a class that voted for and against said Plan of Merger are:

<u>Name of Corporation</u>	<u>Total Shares Voted for</u>	<u>Total Shares Voted against</u>	<u>Class</u>
Marcal Paper Mills, Inc.	32,833.9275	None	All outstanding shares, both common and preferred, voting as a single class.
	32,043	None	All outstanding preferred shares, voting as a single class.
Marcal Co.	558	None	None
Era Holding Co., Inc.	37.75	None	None
Marcal Pulp and Paper, Inc.	2,009	None	None
Franconia Paper Mills, Inc.	600	None	All outstanding shares of common stock, voting as a single class.

ARTICLE SIX

The total number of shares of stock of all classes which the surviving corporation, Marcal Paper Mills, Inc., has authority to issue is 35,043 shares, divided into 3,000 shares of common stock, of the par value of \$100.00 each, and 32,043 shares of \$8 cumulative preferred stock, of the par value of \$100.00 each. The number of said shares is not increased by the Plan of Merger beyond the present number of shares which the surviving corporation is authorized to issue. The Plan of Merger contains no provision changing any part of the certificate of incorporation of the surviving corporation.

ARTICLE SEVEN

The address of the registered office of the surviving corporation in the State of New Jersey is 30 Montgomery Street, Jersey City, New Jersey 07302. Frederic W. Schumann is the registered agent upon whom process against the surviving corporation may be served within said State. Said registered office and registered agent shall continue as such with respect to the surviving corporation until changed in the manner provided by law.

ARTICLE EIGHT

Pursuant to said Plan of Merger, hereto annexed, the merger shall become effective for all purposes under New Jersey law at the close of business of Marcal Paper Mills, Inc. (deemed to be 5:00 P.M., prevailing time) of the day on which this Certificate of Merger is filed with the New Jersey Secretary of State.

IN WITNESS WHEREOF each of the constituent corporations has caused this Certificate of Merger to be signed in its corporate name and on its behalf by its duly authorized officer and its corporate seal to be

hereto affixed and attested by its Secretary on this 28th day of February, 1977.

MARCAL PAPER MILLS, INC.

(CORPORATE SEAL)

By: *N. R. Marcalus*
N. R. Marcalus, President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

MARCAL CO.

(CORPORATE SEAL)

By: *N. R. Marcalus*
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

ERA HOLDING CO., INC.

(CORPORATE SEAL)

By: *N. R. Marcalus*
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

MARCAL PULP AND PAPER, INC.

(CORPORATE SEAL)

By: *N. R. Marcalus*
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

FRANCONIA PAPER MILLS, INC.

(CORPORATE SEAL)

By: *N. R. Marcalus*
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

PLAN AND AGREEMENT OF MERGER

Plan and Agreement of Merger (hereafter sometimes called the "Plan of Merger" or the "Agreement"), dated as of February 28, 1977, by and among MARCAL PAPER MILLS, INC., a New Jersey corporation (hereafter sometimes called "Marcas" or the "surviving corporation"); MARCAL CO., ERA HOLDING CO., INC. and MARCAL PULP AND PAPER, INC., each a New Jersey corporation (said three corporations sometimes collectively referred to as the "wholly owned subsidiaries"); and FRANCONIA PAPER MILLS, INC., a New Jersey corporation (hereafter sometimes called "Franconia"), this Agreement providing for the merger of the wholly owned subsidiaries and Franconia with and into Marcal as the surviving corporation pursuant to the provisions of the New Jersey Business Corporation Act.

W I T N E S S E T H:

WHEREAS, Marcal owns all of the outstanding stock of the wholly owned subsidiaries and owns 400 out of the 600 outstanding shares of voting common stock of Franconia and 360 out of 450 outstanding shares of non-voting preferred stock of Franconia; and

WHEREAS, the remainder of Franconia's outstanding voting common stock (200 shares) and of Franconia's outstanding non-voting preferred stock (90 shares) is owned by R. L. Marcalus, the President of Marcal, who has agreed to vote his Franconia stock entitled to vote for the within merger; and

WHEREAS, the merger of the wholly owned subsidiaries and of Franconia with and into Marcal as the surviving corporation under this Plan and Agreement of Merger has been approved by the respective Boards of Directors and by all of the shareholders entitled to vote of each of the five constituent corporations,

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, and for the purpose of prescribing the terms and conditions of the merger, the mode of carrying the same into effect, the manner and the basis of converting or exchanging the shares of each of the constituent corporations, and such other details and provisions as are deemed necessary or desirable, the parties hereto have agreed, and do hereby agree, subject to the terms and conditions hereinafter set forth, as follows:

ARTICLE 1

MERGER INTO SURVIVING CORPORATION

1.1 Upon the merger becoming effective, Marcal Co., Era Holding Co., Inc., Marcal Pulp and Paper, Inc., and Franconia Paper Mills, Inc., each a New Jersey corporation, shall merge with and into Marcal Paper Mills, Inc., a New Jersey corporation, which shall be the surviving corporation.

1.2 At said time, the corporate existence of Marcal Paper Mills, Inc., with all its purposes, powers and objects, shall continue unaffected and unimpaired by the merger, and as the surviving corporation it shall be governed by the laws of the State of New Jersey and succeed to all of the rights, assets, liabilities and obligations of Marcal Co., Era Holding Co., Inc., Marcal Pulp and Paper, Inc., and Franconia Paper Mills, Inc. in accordance with the New Jersey Business Corporation Act.

1.3 The separate existence and corporate organization of Marcal Co., Era Holding Co., Inc., Marcal Pulp and Paper, Inc., and Franconia Paper Mills, Inc. shall cease at said time and thereupon Marcal Paper Mills, Inc. and Marcal Co., Era Holding Co., Inc., Marcal Pulp and Paper, Inc., and Franconia Paper Mills, Inc. shall be a single corporation, to wit, Marcal Paper Mills, Inc.

1.4 The merger of said constituent corporations shall become effective for all purposes under New Jersey law at the close of business of Marcal Paper Mills, Inc. (deemed to be 5:00 P.M., prevailing time) of the day on which a Certificate of Merger with respect thereto is filed with the New Jersey Secretary of State.

ARTICLE 2

CONVERSION OF SHARES

2.1 Upon the merger becoming effective:

(a) each share of common stock and each share of preferred stock of the surviving corporation issued and outstanding on the effective date of the merger shall not be changed or converted, and shall continue to be issued and outstanding; provided, however, that all shares of common stock of the surviving corporation held by any merged subsidiary corporation shall be cancelled;

(b) no shares of the surviving corporation are to be issued, nor any other consideration to be given, for shares of the three wholly owned subsidiary corporations, but upon the merger becoming effective, the shares of stock of each of the said merged wholly owned subsidiary corporations shall be surrendered for cancellation by Marcal as the parent corporation surviving the merger;

(c) each share of Franconia voting common stock then issued and outstanding and held by Marcal shall be cancelled; all such shares then held by R. L. Marcalus (200 shares) shall be converted into 60 shares of Marcal common stock; and

(d) each share of Franconia non-voting preferred stock then issued and outstanding and held by Marcal shall be cancelled; all such shares then held by R. L. Marcalus (90 shares) shall be converted into 3.8936 shares of Marcal common stock.

ARTICLE 3
GENERAL PROVISIONS

3.1 The certificate of incorporation, as amended, of the surviving corporation shall, from and after the effective date of the merger, be the certificate of incorporation of Marcal.

3.2 The by-laws, as amended, of the surviving corporation shall, from and after the effective date of the merger, be the by-laws of Marcal.

3.3 This Agreement, and the legal relations among the parties hereto, shall be governed by and construed in accordance with the laws of the State of New Jersey.

IN WITNESS WHEREOF, each of the constituent corporations has caused this Plan and Agreement of Merger to be signed in its corporate name by its President or Vice President, attested by its Secretary, and its corporate seal to be affixed hereto, all as of the date first above written.

ATTEST:

Mary Lovas
Mary Lovas, Secretary

MARCAL PAPER MILLS, INC.

By: N. R. Marcalus
N. R. Marcalus, President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

MARCAL CO.

By: N. R. Marcalus
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

ERA HOLDING CO., INC.

By: N. R. Marcalus
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

MARCAL PULP AND PAPER, INC.

By: N. R. Marcalus
N. R. Marcalus, Vice President

ATTEST:

Mary Lovas
Mary Lovas, Secretary

FRANCONIA PAPER MILLS, INC.

By: N. R. Marcalus
N. R. Marcalus, Vice President

CERTIFICATE OF MERGER

merging

MARCAL CO.
ERA HOLDING CO., INC.,
MARCAL PULP AND PAPER, INC.
and
FRANCONIA PAPER MILLS, INC.
(each a New Jersey corporation)

with and into

MARCAL PAPER MILLS, INC.
(a New Jersey corporation)

DATED: February 28, 1977

SCHUMANN, HESSION, KENNELLY
& DORMENT
30 Montgomery Street
Jersey City, New Jersey 07302

State of New Jersey



Department of State

I, the Secretary of State of the State
of New Jersey, do hereby Certify that the foregoing is a true
copy of Certificate of Merger of MARCAL CO., ERA HOLDING CO., INC., MARCAL PULP
AND PAPER, INC. and FRANCONIA PAPER MILLS, INC. (all New Jersey corporations) into
MARCAL PAPER MILLS, INC. (New Jersey corporation)

_____ and the endorsements thereon,
as the same is taken from and compared with the original filed
in my office on the 28th day of February A. D.
1977, and now remaining on file and of record therein.



In Testimony Whereof, I have hereunto
set my hand and affixed my Official
Seal at Trenton, this 28th
day of February A. D. 1977

J. Edward Crain
Secretary of State

STATEMENT OF CANCELLATION
OF REACQUIRED SHARES OF

MARCAL PAPER MILLS, INC.

APR 5 1977

TO: The Secretary of State
State of New Jersey

Pursuant to the provisions of Section 14A:7-18, Corporations,
General, of the New Jersey Statutes, the undersigned corporation hereby
submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is MARCAL PAPER MILLS, INC.
2. The aggregate number of shares cancelled and restored to the
status of authorized but unissued shares is 457.41; itemized as follows:

<u>Class</u>	<u>No. of Shares Cancelled</u>
Common Stock, par value \$100 per share	457.41

3. The dates of adoption of the resolutions of the Board of Directors
cancelling such shares were as set forth below:

(a) February 18, 1977, in the case of 349.41 such shares
reacquired by the corporation upon the merger of an Illinois subsidiary
(Marcal, Inc., the owner of said shares) into the corporation, which merger
became effective at 5:00 P.M. on February 25, 1977, the date of the filing
of a Certificate of Merger with respect to said merger in the office of the
Secretary of State of the State of New Jersey; and

(b) February 28, 1977, in the case of 108.00 such shares
reacquired by the corporation upon the merger of four New Jersey subsid-
iaries (including Marcal Pulp and Paper, Inc., the owner of said shares)
with and into the corporation, which merger became effective at 5:00 P.M.
on February 28, 1977, the date of the filing of a Certificate of Merger with
respect to said merger in the office of the Secretary of State of the State of
New Jersey. Upon the said merger becoming effective, a shareholder's
minority interest in one of said merged subsidiaries was converted by virtue
of the Plan of Merger into an aggregate of 63.8936 shares of the corporations

Common Stock; certificates therefor have been issued by the corporation from its authorized but unissued shares and have been delivered by the corporation to said shareholder.

4. The aggregate number of issued shares of the corporation on the date hereof, and after giving effect to such cancellations and said issuance of shares upon the merger referred to in paragraph 3(b) hereof, is 33,080.8211; itemized as follows:


<u>Class</u>	<u>No. of Issued Shares</u>
Common Stock, par value \$100 per share	1,037.8211
\$8 Cumulative Preferred Stock, par value \$100 per share	32,043.
TOTAL	33,080.8211

5. The amount of stated capital of the corporation on the date hereof, and after giving effect to such cancellations and said issuance of shares upon the merger referred to in paragraph 3(b) hereof, is \$3,308,082, of which \$103,782 represents Common Stock and \$3,204,300 represents Preferred Stock.

Dated this 30 day of March, 1977.

MARCAL PAPER MILLS, INC.

By:


R. L. Marcalus
President

FILED AND RECORDED

NOV 19 1979

DONALD LAN
SECRETARY OF STATE

STATEMENT OF
CANCELLATION OF REACQUIRED SHARES
OF

MARCAL PAPER MILLS, INC.

To: The Secretary of State
State of New Jersey

Pursuant to the provisions of Section 14A:7-18 of the New Jersey Business Corporation Act, the undersigned corporation hereby submits the following Statement of Cancellation of Reacquired Shares:

1. The name of the corporation is MARCAL PAPER MILLS, INC.
2. The number of reacquired shares of the corporation cancelled by resolution duly adopted by its Board of Directors on September 18, 1979 is 183, itemized as follows:

<u>Class</u>	<u>Series</u>	<u>Number of Shares Cancelled</u>
Common Stock, par value \$100 per share	None	183

3. The aggregate number of issued shares of the corporation after giving effect to such cancellation is 32,897.8211, itemized as follows:

<u>Class</u>	<u>Series</u>	<u>Number of Shares Issued</u>
Common Stock, par value \$100 per share	None	854.8211
\$8 Cumulative Preferred Stock, par value \$100 per share	None	<u>32,043.</u>
	Total	32,897.8211


All of said issued shares of the corporation are issued and outstanding;
there are no treasury shares.

4. The amount of stated capital of the corporation, after giving effect to such cancellation is \$3,289,783, of which \$85,483 is the amount

represented by the 854,821 issued and outstanding shares of said Common Stock and \$3,204,300 is the amount represented by the 32,043 issued and outstanding shares of said Preferred Stock.

Dated this 19 day of September, 1979.

MARCAL PAPER MILLS, INC.

By: 
Robert L. Marcakus
President

Filed By:

SCHUMANN, HESSON, KENNELLY & DORMENT
Attorneys for Marcal Paper Mills, Inc.
30 Montgomery Street
Jersey City, New Jersey 07302

I, The Secretary of State of the State of New Jersey, DO HEREBY CERTIFY that the foregoing is a true copy of CERTIFICATE OF *Cancellation of* and the endorsements thereon, as the same is taken from and compared with the original filed in my office on the 13th day of *Nov.*, A.D. 1979 and now remaining on file and of record therein.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at Trenton, this 13th day of *Nov.* 1979, A.D.

SECRETARY OF STATE
DONALD LAM



TRANSACTION NO
79 0113079

State of New Jersey
DEPARTMENT OF STATE
COMMERCIAL RECORDING BUREAU
P.O. BOX 1330 • TRENTON, N.J. 08625

SHEET NO 1

RECEIPT OF PAYMENT FOR : CERTIFICATE OF AMENDMENT (D)

FILING DATE 11/1

SCHUMAN HESSION
30 MONTGOMERY ST.
JERSEY CITY

NJ 07302

FILING FEE 2.
LICENSE FEE
INQUIRY FEE
SEARCH FEE
PHOTO COPY FEE
CERTIFIED COPY 10.
MISC FEE
POSTAGE FEE
TOTAL-AMT 35
PAYMENT AMOUNT 35

AYER JAMES A HESSION
PAYMENT TYPE CHECK

AUDIT CODE 07

DRP NAME: MARCAL PAPER MILLS, INC. (FORMERLY MARCALUS MANUFACTURING CO.)

DOMESTIC PROFIT STATUS: ACTIVE CORP NO: 5666471000 FOLDER S 89

INCORPORATION DATE: 04/30/1960 STATE: NJ

LOCK: TERM: PERPETUAL PURPOSE: GENERAL

AGENT STATUS: ACTIVE

FREDERIC W SCHUMANN
30 MONTGOMERY ST
JERSEY CITY N J

07302

ANNUAL REPORT DUE: JUNE LATEST RECEIVED: 7 18 79 FOR THE YEAR 79
STATUS 79: PD 78: PD 77: PD 76: PD 75: PD 74: NA

DOCKETED JUDGEMENTS OUTSTANDING: NONE

INCORPORATORS:

PREVIOUS NAME: NONE

*Filed and Recorded
Nov 15 1979
Donald R. Han
Secretary of State*

CERTIFICATE OF AMENDMENT OF THE

CERTIFICATE OF INCORPORATION OF

MARCAL PAPER MILLS, INC.

Pursuant to the provisions of sub-sections 14A:7-15.1(4) and 14A:9-4(3) of the New Jersey Business Corporation Act, Marcal Paper Mills, Inc., a New Jersey corporation, hereby executes the following Certificate of Amendment of its Certificate of Incorporation.

1. The name of the corporation is Marcal Paper Mills, Inc.
2. The following amendments of the corporation's Certificate of Incorporation, as heretofore amended, were made by the corporation in the manner prescribed by the New Jersey Business Corporation Act, having first been approved by resolution of the Board of Directors of said corporation on September 18, 1979 and having thereafter been adopted by the shareholders of the corporation on September 19, 1979, pursuant to the unanimous written consents of all of the holders of all of the issued and outstanding stock of the corporation:

1. Paragraph (a) of Article FOURTH is amended to read as follows:

"FOURTH: (a) The aggregate number of shares which the corporation shall have authority to issue is 332,043 shares, consisting of 32,043 shares of \$8 Cumulative Preferred Stock, par value \$100 per share (the "Preferred Stock"), and 300,000 shares of Common Stock, par value \$1.00 per share (the "Common Stock")."

2. The third sentence in Paragraph 6 of Section I of Paragraph (b) of Article FOURTH is amended to read as follows:

"Upon the filing in the office of the Secretary of State of the State of New Jersey of the Certificate of Amendment whereby Paragraph (a) of this Article FOURTH is amended to read as hereinbefore set forth, on any matters on which the holders of the Preferred Stock shall be entitled to vote, they shall be entitled initially to one (1) vote for each share held."

3. The action of the shareholders in adopting the said amendments of the Certificate of Incorporation was taken under Section 14A:5-6(1) of the New Jersey Business Corporation Act without a meeting and upon the

written consents of all of the shareholders of the corporation duly filed with the minutes of the proceedings of the shareholders. The number of shares represented by such consents is 32,897.8211 shares, both common and preferred, being all of the outstanding shares of common stock (854.8211 shares) and of preferred stock (32,043 shares) of the corporation.

4. Upon becoming effective according to law, said amendments:

(I) increase the aggregate number of shares which the corporation shall have authority to issue from 35,043 to 332,043 shares, by increasing the authorized common stock of the corporation from 3,000 to 300,000 shares;

(II) change the par value of the common stock from \$100.00 per share to \$1.00 per share; and

(III) effectuate a 100-for-1 split of the presently issued and outstanding shares of common stock, without changing the stated capital of the corporation, but with an appropriate adjustment of the voting power of the corporation's preferred stock.

The following information required by paragraph 14A:7-15.1(3)(d) of the New Jersey Business Corporation Act is herein set forth:

(a) The shares divided are all of the class of 3,000 presently authorized shares of common stock of the par value of \$100.00 per share, including the 854.8211 shares of common stock issued and outstanding.

(b) The number of shares into which they are being divided is 300,000 authorized shares, consisting of a single class of common stock of the par value of \$1.00 per share. The number of presently authorized, issued and outstanding shares of the corporation's preferred stock is not changed by the foregoing amendments or by the said 100-for-1 split of the issued and outstanding shares of common stock.

5. Pursuant to paragraph 14A:9-4(3)(f) of the New Jersey Business Corporation Act, the following is a statement of the manner in which the

within exchange of the shares of common stock is being effected, as set forth in the resolutions adopted by the corporation's Board of Directors:

"RESOLVED, that upon said amendments becoming effective in the manner provided by law:

(a) Each share of the common stock of the Company of the par value of \$100 per share shall, automatically and without further action on the part of any holder thereof or of the Company, be changed and converted into 100 shares of common stock of the par value of \$1.00 per share; any and all fractional shares shall be correspondingly changed pro rata on the same basis.

(b) Each holder of any outstanding certificate or certificates theretofore representing the Company's shares of common stock (\$100 par value) shall promptly surrender the same to the Company, and such holder shall be entitled upon such surrender to receive in exchange therefor a certificate or certificates representing the number of shares of the Company's common stock of the par value of \$1.00 per share as provided in the preceding paragraph (a) hereof.

(c) The present stated capital of the Company shall remain unchanged."

6. The foregoing amendments and the said 100-for-1 split of said shares of the common stock shall become automatically effective for all purposes under New Jersey law at the time of the filing of this Certificate of Amendment in the office of the Secretary of State of New Jersey.

IN WITNESS WHEREOF, said Marcal Paper Mills, Inc. has caused this Certificate to be executed on its behalf by its duly authorized President this 19 day of September, 1979.

MARCAL PAPER MILLS, INC.

By: _____

R. L. Marcalus
President

CERTIFICATE OF AMENDMENT OF THE
CERTIFICATE OF INCORPORATION OF
MARCAL PAPER MILLS, INC.

DATED: September 19, 1979

SCHUMANN, HESSION, KENNELLY & DORMENT
30 Montgomery Street
Jersey City, New Jersey 07302
(201) 434-2000

STATEMENT OF CANCELLATION PURSUANT TO N.J.S.A. 14A:7-18

The Board of Directors of Marcal Paper Mills, Inc. at a meeting held on June 19, 1987, voted to recommend to the stockholders of the corporation a plan for the recapitalization of the corporation. On the same date pursuant to N.J.S.A. 14A:5-6(1), the stockholders unanimously approved the plan of recapitalization. Pursuant to N.J.S.A. 14A:7-18 and further pursuant to the resolution of the Board of Directors of the corporation the undersigned officers hereby state:

- A. The name of the corporation is Marcal Paper Mills, Inc.
- B. 32,043 shares of Preferred Stock were exchanged for 14,279 shares of Common Stock. The preferred stock was cancelled pursuant to the resolution of the board of Directors dated June 19, 1987.
- C. The Certificate of Incorporation is amended pursuant to the aforesaid resolution by decreasing the aggregate number of preferred shares which the corporation is authorized to issue, to wit 32,043 shares, by the number of shares cancelled, to wit 32,043 shares leaving 0 shares of preferred stock.
- D. The number of shares which the corporation has authority to issue after giving effect to the cancellation is as follows:

1. Preferred shares 0
2. Common shares 300,000

E. On the 19th day of June, 1987, the sharenolders unanimously approved the Plan of Recapitalization. On that date the number of shares outstanding was 32,043 shares of preferred and 85,482.11 of common, all of which voted for the Plan of Recapitalization.

IN WITNESS WHEREOF, Marcal Paper Mills, Inc. pursuant to authority duly given by its Board of Directors has caused this statement to be duly executed by the President and its corporate seal to be affixed hereto and attested by the Secretary and to be filed with the Secretary of State of the State of New Jersey.

ATTEST:

MARCAL PAPER MILLS, INC.

Flourence E. Noren
Secretary
#8963B
June 19, 1987

By: *N.R. Marcal*
President

STATEMENT OF CANCELLATION PURSUANT TO N.J.S.A. 14A:7-18 JUN 25 1987

JANE BURGIO
Secretary of State

The Board of Directors of Marcal Paper Mills, Inc. at a meeting held on June 19, 1987, voted to recommend to the stockholders of the corporation a plan for the recapitalization of the corporation. On the same date pursuant to N.J.S.A. 14A:5-6(1), the stockholders unanimously approved the plan of recapitalization. Pursuant to N.J.S.A. 14A:7-18 and further pursuant to the resolution of the Board of Directors of the corporation the undersigned officers hereby state:

- A. The name of the corporation is Marcal Paper Mills, Inc.
- B. 32,043 shares of Preferred Stock were exchanged for 14,279 shares of Common Stock. The preferred stock was cancelled pursuant to the resolution of the board of Directors dated June 19, 1987.
- C. The Certificate of Incorporation is amended pursuant to the aforesaid resolution by decreasing the aggregate number of preferred shares which the corporation is authorized to issue, to wit 32,043 shares, by the number of shares cancelled, to wit 32,043 shares leaving 0 shares of preferred stock.
- D. The number of shares which the corporation has authority to issue after giving effect to the cancellation is as follows:

1. Preferred shares 0

2. Common shares 300,000

E. On the 19th day of June, 1987, the shareholders unanimously approved the Plan of Recapitalization. On that date the number of shares outstanding was 32,043 shares of preferred and 85,482.11 of common, all of which voted for the Plan of Recapitalization.

IN WITNESS WHEREOF, Marcal Paper Mills, Inc. pursuant to authority duly given by its Board of Directors has caused this statement to be duly executed by the President and its corporate seal to be affixed hereto and attested by the Secretary and to be filed with the Secretary of State of the State of New Jersey.

ATTEST:

MARCAL PAPER MILLS, INC.

Florence E. Noren
Secretary *June 19, 1987*
#8963B

By: *R. Marcalus*
President

MARCAL PAPER MILLS, INC.

DEPARTMENT OF STATE

~~1987 JUN 25 11 0 3~~

COMMERCIAL RECORDING
BUREAU

STATEMENT
OF
CANCELLATION
PURSUANT
TO
N.J.S.A. 14A:7-18

Dated: JUNE 19, 1987

LAW OFFICES
JEFFER, HARTMAN, HOPKINSON,
VOGEL, COOMBER & PEIFFER
LAW BUILDING - ROUTE 208 NORTH
P. O. BOX 507
HAWTHORNE, NEW JERSEY 07507

MARCAL PAPER MILLS, INC.

1. RESOLUTION REGARDING PAYMENT OF ACCRUED
PREFERRED DIVIDENDS.
2. RESOLUTION OF BOARD OF DIRECTORS REGARDING
A PLAN OF RECAPITALIZATION.
3. PLAN OF RECAPITALIZATION.
4. UNANIMOUS CONSENT OF THE SHAREHOLDERS.
5. STATEMENT OF CANCELLATION
PURSUANT TO N.J.S.A. 14A:7-18

Office
Copy Signed
6/23/87

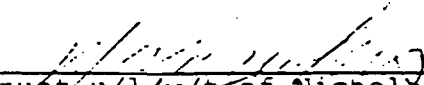
RESOLUTION

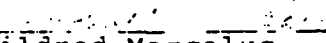
The accumulation of unpaid dividends on the preferred stock of the Corporation is considered to be a potential problem. The directors have heretofore authorized the officers of the Corporation to obtain a valuation of the present accrued but unpaid dividends on the preferred stock. The report of Arthur Anderson & Co. dated May 28, 1987 indicates the preferred stock dividend arrearages have a present value of \$560,000. After due consideration of the report as well as the effect on the Corporation of paying \$560,000 to the preferred shareholders in full satisfaction of all dividend arrearages, it was upon motion duly made, seconded and unanimously carried:

RESOLVED, that the officers of the Corporation be authorized to offer to the holders of the preferred stock of the Corporation the sum of \$560,000 in full and complete satisfaction of all preferred stock dividend arrearages.

The undersigned, being all of the preferred sharenolders hereby accept the payment of the sum of \$560,000 in full and complete satisfaction of all preferred stock dividend arrearages due us up to the date hereof.

Dated: June 19, 1987


Trust u/l/w/t of Nicholas
Marcalus Trust 1 and 2


Mildred Marcalus

#8965B

RESOLUTION OF BOARD OF DIRECTORS OF MARCAL PAPER MILLS, INC.
ADOPTING A PLAN OF RECAPITALIZATION

RESOLVED, that the Board of Directors of this Company hereby determines that the recapitalization of this Company upon the terms and conditions set forth in the Plan of Recapitalization submitted to this Board is advisable and generally to the advantage and for the benefit of this Company and its stockholders.

FURTHER RESOLVED, that the Plan of Recapitalization presented to the meeting and the recapitalization therein provided for be and the same is hereby approved, and the execution of said Plan by the members of this Board and by proper officers of this Company is hereby approved and authorized.

FURTHER RESOLVED, that said Plan of Recapitalization be submitted for approval and adoption by the stockholders of this Company at a special meeting to be held for that purpose or in lieu thereof to obtain the consent of all of the stockholders to the Plan of Recapitalization.

FURTHER RESOLVED, that the proper officers of the Company be, and they hereby are, authorized to provide, in the material to be submitted to the stockholders in connection with said special meeting, the opportunity to direct whether their vote shall be cast for or against the approval and adoption of said Plan of Recapitalization and the adoption of resolutions authorizing this Board and the officers of the Company to take all necessary or appropriate action to carry out its terms and the recapitalization therein provided for; a statement of the authority granted to the Board of Directors by Article V of the said Plan to terminate and abandon the recapitalization if in the opinion of the Board the recapitalization is impracticable or undesirable in all the circumstances, including among such circumstances the dissents filed by stockholders of the Company; the stockholders to be advised that in the absence of any direction in respect of the voting on the recapitalization, the proxy of the stockholder is to be voted in favor of such action.

FURTHER RESOLVED, that the officers of the Company be, and they are hereby, authorized to include in the material to be submitted to the stockholders in connection with said special meeting all of the material which they consider necessary and desirable to give the stockholders an adequate explanation and all pertinent information regarding the proposed recapitalization and the financial condition of the Company, to the end that they may be enabled to judge the desirability and expediency of the contemplated action; all such material to be in form approved by counsel for the Company.

FURTHER RESOLVED, that Messrs. Robert L. Marcalus and Nicholas Marcalus be and they hereby are appointed as a proxy committee, either in person or by their substitute, to act on behalf of and to represent such stockholders of this Company as may appoint them their proxy to act for them at said special meeting of stockholders of this Company or any adjournment or adjournments thereof.

FURTHER RESOLVED, that the proper officers and counsel of the Company be, and they hereby are, authorized and directed to take all further steps necessary or desirable to procure the approval and adoption of the Plan of Recapitalization by the stockholders of the Company, in accordance with its terms and authorization.

FURTHER RESOLVED, that if said Plan of Recapitalization shall be duly adopted at such special meeting of the stockholders of this Company or be approved by the votes of the holders of at least two-thirds of the total number of outstanding shares of the stock of this Company entitled to vote in lieu of such meeting, the president or any vice president and the secretary or any assistant secretary of this Company be and each of them hereby is authorized to certify the fact of such adoption by the stockholders of this Company of said Plan of Recapitalization and to take such action as they may deem necessary or appropriate to effectuate said Plan of Recapitalization; provided, however, that in accordance with the provisions of said Plan of Recapitalization the Board of Directors of this Company hereby reserves the right to terminate said Plan of Recapitalization and abandon the recapitalization therein provided for upon the conditions set forth therein.

FURTHER RESOLVED, that the proper officers of this Company be, and they hereby are, authorized and directed to execute, in the name and on behalf of this Company and under its corporate seal or otherwise, and to deliver any and all agreements, certificates, applications or other instruments and to take from time to time any and all such other action necessary or desirable to carry out the purposes of the foregoing resolution.

#7028B

PLAN OF RECAPITALIZATION OF MARCAL PAPER MILLS, INC.

The Board of Directors of MARCAL PAPER MILLS, INC. (hereinafter called the "Corporation"), at a meeting held June 19, 1987, voted to recommend to the Stockholders of the Corporation a plan for the recapitalization of the Corporation hereinafter set forth. At the same meeting, the Board of Directors called a special meeting of the Stockholders entitled to vote in respect thereof for the consideration of the proposed recapitalization plan and the said amendment.

I. Present Capitalization

The authorized capitalization of the Corporation is 332,043 shares consisting of 32,043 shares of \$8.00 cumulative preferred stock, par value \$100.00 per share (the preferred stock) and 300,000 shares of common stock par value \$1.00 per share (the common stock) which are outstanding in the hands of the following:

<u>Name of Stockholder</u>	<u>Type of Stock</u>	<u>Number of Shares</u>	<u>Percentage</u>
Trust U/L/W/T of Nicholas Marcalus Trust 1 and 2	Preferred	24,433	72.25%
Mildred Marcalus	Preferred	7,610	<u>23.75%</u> 100.00%
Robert L. Marcalus, Sr.	Common	33,242.11	38.9%
Jeanette Bonin	Common	6,890.00	8.0%
Nicholas R. Marcalus	Common	10,090.00	11.8%
Anne Mazzarino	Common	6,890.00	8.0%
Lisa Perkowski	Common	6,890.00	8.0%
Robert L. Marcalus, Jr.	Common	9,690.00	11.3%
Peter A. Marcalus	Common	9,490.00	11.0%
Marcas Paper Products	Common	2,300.00	3.0%

II. The Proposed Plan of Recapitalization

The Corporation has engaged the firm of Arthur Anderson & Co. to evaluate the preferred and common stock of the company. Based on their latest report dated May 28, 1987, the Corporation is prepared to offer one (1) share of common for every 2.244 shares of preferred.

The 32,043 shares of outstanding preferred stock shall be surrendered and exchanged for 14,279.411 shares of common stock with the estate of Nicholas Marcalus exchanging its 24,433 shares of preferred stock for 10,888.146 shares of common stock and Mildred Marcalus exchanging her 7,610 shares of preferred stock for 3,391.265 shares of common stock. In lieu of issuing fractional shares the Corporation may pay cash for such fraction at the rate of \$131.60 per share. Accordingly, the new distribution after such an exchange will appear as follows:

<u>Name of Stockholder</u>	<u>No. Shares Common Stock</u>	<u>Percentage</u>
Trust U/L/W/T of Nicholas Marcalus	10,888.146	10.90
Mildred Marcalus	3,391.265	3.40
Robert L. Marcalus, Sr.	33,242.11	33.40
Jeanette Bonin	6,890	6.90
Nicholas R. Marcalus	10,090	10.10
Anne Mazzarino	6,890	6.90
Lisa Perkowski	6,890	6.90
Robert L. Marcalus, Jr.	9,690	9.70
Peter A. Marcalus	9,490	9.50
Marcal Paper Products	<u>2,300</u>	<u>2.30</u>
Total	99,761.521	100.00

In the considered unanimous opinion of the Board of Directors, the proposed Plan will promote the better financial condition of the Corporation and will, in the long run, be to the advantage and the welfare of both the Corporation and its stockholders. The ability of the Corporation to reduce its obligations to pay current and

cumulative dividends will permit the Corporation to retain a greater share of its earnings and build up its capital account. The elimination of arrearages in the dividends will give management greater flexibility in meeting the Corporation's future capital needs. The simplified capital structure of the corporation will enable the Corporation to more easily obtain outside financing when and if needed.

III. Offer of Exchange

If the Stockholders approve of the reclassification of the present authorized and issued shares as contemplated by the plan the Board of Directors shall make the following offer of exchange but conditioned upon the Board declaring the plan effective as hereinafter provided:

A. The Trust U/L/W/T of Nicholas Marcalus upon surrender of 24,433 shares of preferred stock will be offered in exchange 10,888 shares of common stock.

B. Mildred Marcalus, upon the surrender of 7,610 shares of preferred stock will be offered in exchange 3,391 shares of common stock.

IV. Method of Carrying Out the Plan

The above outlined Plan of Recapitalization will be presented for consideration at a special meeting of the stockholders or in lieu of such meeting the stockholders shall consent to the Plan of Recapitalization which will be evidenced by their signatures attached to the Plan.

If the Plan is approved by the requisite vote of the Stockholders, the Board of Directors will notify the holders of the preferred stock of the acceptance of the plan of recapitalization by the stockholders. A preferred stockholder who accepts the offer of exchange will be required as the directors may determine, either to submit the certificates for stamping with an appropriate endorsement evidencing such acceptance or to deposit the Certificates against the issuance of new certificates for the common stock.

Under the plan, when the offers of exchange have become effective and the new common is issued, the surrendered shares of old preferred will be cancelled pursuant to N.J.S.A. 14A:7-18.

V. Conditions Upon Which the Plan Will Become Effective

The aforesaid offers of exchange will be conditioned upon the Plan being declared effective by the Board of Directors of the Corporation. Such action will not be taken by the Board unless and until in its sole discretion the exchange offer shall have been

accepted by the holders of the preferred and common shares as shall justify such declaration.

IN WITNESS WHEREOF, MARCAL PAPER MILLS, INC., pursuant to authority duly given by its Board of Directors has caused this Plan of Recapitalization to be duly executed by its President and its corporate seal to be affixed hereto and attested by its Secretary.

ATTEST:

MARCAL PAPER MILLS, INC.

Glenn E. Noren
Secretary June 19, 1987

By: R. Marcalus
President

APPROVAL OF PLAN OF RECAPITALIZATION BY
THE SHAREHOLDERS

	<u>Vote</u>	
	<u>Yes</u>	<u>No</u>
<u><i>[Signature]</i></u> Trusts U/L/W/T of Nicholas Marcalus Trust 1 and 2	<u>✓</u>	<u>—</u>
<u><i>[Signature]</i></u> Mildred Marcalus	<u>✓</u>	<u>—</u>
<u><i>[Signature]</i></u> Robert L. Marcalus, Sr.	<u>✓</u>	<u>—</u>
<u><i>[Signature]</i></u> Jeanette Bonin	<u>✓</u>	<u>—</u>
<u><i>[Signature]</i></u> Nicholas R. Marcalus	<u>X</u>	<u>—</u>
<u><i>[Signature]</i></u> Anne Mazzarino	<u>✓</u>	<u>—</u>
<u><i>[Signature]</i></u> Lisa Perkowski	<u>X</u>	<u>—</u>
<u><i>[Signature]</i></u> Robert L. Marcalus, Jr.	<u>✓</u>	<u>—</u>
<u><i>[Signature]</i></u> Peter A. Marcalus	<u>✓</u>	<u>—</u>

MARCAL PAPER PRODUCTS

By: *[Signature]* ✓

#7029B

UNANIMOUS CONSENT OF THE SHAREHOLDERS

OF

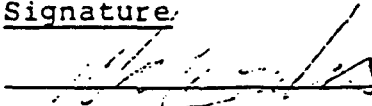
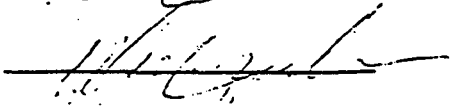

MARCAL PAPER MILLS, INC.

Pursuant to N.J.S.A. 14A:5-6(1) the undersigned representing all the shares entitled to vote on a Plan of Recapitalization authorize the following resolution:

RESOLVED, that the Plan of Recapitalization presented to the stockholders and the recapitalization therein provided for be and the same is hereby approved and the execution of said plan by the Board of Directors of the corporation and by the proper officers of the corporation is hereby approved and authorized.

FURTHER RESOLVED, that the proper officers of the corporation be and hereby are authorized and directed to execute in the name and on behalf of the corporation and under its corporate seal or otherwise and to deliver any and all agreements, certificates, applications or other instruments and to take from time to time any and all such other action as may be necessary or desirable to carry out the purposes of the foregoing resolution.

<u>Shareholder</u>	<u>Class of Stock</u>	<u>No. of Shares</u>	<u>Signature</u>
R.L. Marcalus, Sr.	Common	33,242.11	<u>[Signature]</u>
N.R. Marcalus	Common	10,090	<u>[Signature]</u>
R.L. Marcalus, Jr.	Common	9,690	<u>[Signature]</u>
P.A. Marcalus	Common	9,490	<u>[Signature]</u>
J.M. Bonin	Common	6,890	<u>[Signature]</u>
A.R. Mazzarino	Common	6,890	<u>[Signature]</u>
L.J. Perkowski	Common	6,890	<u>[Signature]</u>

<u>Shareholder</u>	<u>Class of Stock</u>	<u>No. of Shares</u>	<u>Signature</u>
Marcal Paper Products	Common	2,300	
Trusts u/l/w/t of Nicholas Marcalus	Preferred	24,433	
M.M. Marcalus	Preferred	7,610	

This unanimous consent may be executed in one or more counterparts all of which together shall be one and the same instrument.

#8964B

STATE OF NEW JERSEY

TRANSACTION NO
87 0377179

DEPARTMENT OF STATE
COMMERCIAL RECORDING BUREAU
CN 308 - TRENTON, N.J. 08625

SHEET NO 1

RECEIPT OF PAYMENT FOR : CERTIFICATE OF AMENDMENT (D)

FILING DATE 06/30/87

JEFFER HARTMAN HOPKI
P.O BOX 507
HAWTHORNE

NJ 07507

FILING FEE 50.00
LICENSE FEE
INQUIRY FEE
EXPEDITED FEE
PHOTO COPY FEE
CERTIFIED COPY
MISC FEE
POSTAGE FEE
TOTAL-AMT 50.00
PAYMENT AMOUNT 50.00

PAYER JEFFER HARTMAN HOPKI
PAYMENT TYPE CHECK

AUDIT CODE 18

CORP NAME: MARCAL PAPER MILLS, INC. (FORMERLY MARCALUS MANUFACTURING CO.

DOMESTIC PROFIT STATUS: ACTIVE CORP NO: 5666471000 FOLDER S 8946

INCORPORATION DATE: 04/30/1960 STATE: NJ

STOCK: 332043 TERM: PERPETUAL PURPOSE: GENERAL

AGENT STATUS: ACTIVE

FLORENCE NOREN
1 MARKET STREET
ELMWOOD PARK

NJ 07047

ANNUAL REPORT DUE: JUNE LATEST RECEIVED: 12 17 86 FOR THE YEAR 86
STATUS 87: OS 86: PD 85: OS 84: PD 83: PD 82: NA

DOCKETED JUDGEMENTS OUTSTANDING: NONE

INCORPORATORS:

PREVIOUS NAME: NONE

*date of
filing
6/24/87*

FILED

JUL 24 1987

CERTIFICATE OF AMENDMENT OF THE
CERTIFICATE OF INCORPORATION OF
MARCAL PAPER MILLS, INC.

JANE EURGIO
Secretary of State

Pursuant to the provisions of sub-sections 14A:9-2(4) and 14A:9-4(3) of the New Jersey Business Corporation Act, Marcal Paper Mills, Inc., a New Jersey corporation, hereby executes the following Certificate of Amendment of its Certificate of Incorporation.

1. The name of the corporation is Marcal Paper Mills, Inc.
2. The following amendment of the corporation's Certificate of Incorporation, as heretofore amended, by adding a new Article TENTH was made by the corporation in the manner prescribed by the New Jersey Business Corporation Act, having first been approved by resolution of the Board of Directors of said corporation on June 19, 1987 and having thereafter been adopted by the shareholders of the corporation on June 19, 1987, pursuant to the unanimous written consents of all of the holders of all of the issued and outstanding stock of the corporation entitled to vote:

TENTH:

A. No director shall be personally liable to the corporation or to any shareholder or shareholders of the corporation for breach of any duty owed to the corporation or its shareholders, provided, however, that this provision shall not relieve a director from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law, or (c) resulting in receipt by the director of an improper personal benefit.

B. No officer shall be personally liable to the corporation or to any shareholder or shareholders of the corporation for breach of any duty owed to the corporation or its shareholders, provided, however, that this provision shall not relieve an officer from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law, or (c) resulting in receipt by the officer of an improper personal benefit.

C. In the event the law permitting the provisions of this Article is changed or expires with respect to either officers or directors, such a change or expiration shall not affect or invalidate those provisions of this Article which remain in accordance with law.

3. The action of the shareholders in adopting the said amendments of the Certificate of Incorporation was taken under Section 14A:5-6(1) and (5) of the New Jersey Business Corporation Act without a meeting and upon the written consents of all of the shareholders of the corporation entitled to vote duly filed with the minutes of the proceedings of the shareholders. The number of shares represented by such consents is 117,525 shares, both common and preferred, being all of the issued shares of common stock 85,482 shares) and of preferred stock (32,043 shares) of the corporation.


4. Pursuant to paragraph 14A:9-4(3)(e) of the New Jersey Business Corporation Act, the total number of shares entitled to vote, 117,525 voted in favor of the foregoing amendment to the corporation's Certificate of Incorporation.

5. The foregoing amendment to the Corporation's Certificate of Incorporation shall become automatically effective for all purposes under New Jersey law at the time of the filing of this Certificate of Amendment in the office of the Secretary of State of New Jersey.

IN WITNESS WHEREOF, said Marcal Paper Mills, Inc. has caused this Certificate of Amendment to be executed on its behalf by its duly authorized President this 19th day of June, 1987.

MARCAL PAPER MILLS, INC.

By:


NICHOLAS R. MARCALUS
President

CERTIFICATE OF AMENDMENT OF THE
CERTIFICATE OF INCORPORATION OF
MARCAL PAPER MILLS, INC.

DATED: June 19, 1987

BONIN & CRISCUOLI
133 Washington Street
Morristown, New Jersey 07960

(201) 267-2232

PLAN OF MERGER

PLAN AND AGREEMENT OF MERGER (hereafter called "this Agreement"), dated August 27, 1989 by and between MARCAL PAPER MILLS, INC., a New Jersey corporation (hereinafter called "Mills"), MARCAL PAPER PRODUCTS, INC., a New Jersey corporation, (hereinafter called "Products"), and MARCALUS MFG. CO. INC., a New Jersey corporation (hereinafter called "Mfg."), said corporations being hereinafter sometimes collectively referred to as the "Constituent Corporations".

W I T N E S S E T H :

WHEREAS, Mills is a corporation duly organized and existing under the laws of the State of New Jersey, having been incorporated on April 29, 1932, under the name Marcalus Manufacturing Co., Inc., changing to its present name on May 1, 1960; and

WHEREAS, the authorized capital stock of Mills consists of 300,000 shares of common stock of which 93,862 shares are outstanding; and

WHEREAS, Products is a corporation duly organized and existing under the laws of the State of New Jersey having been incorporated on December 27, 1948, under the name Marcal Paper Mills, Inc., changing to its present name on May 1, 1960; and

WHEREAS, the authorized capital stock of Products consists of 2500 shares of common stock, of which 58 shares are outstanding; and

WHEREAS, Mfg. is a corporation duly organized and existing under the laws of the State of New Jersey having been incorporated on May 2, 1960 under the name Marcalus Manufacturing Co., Inc., changing to its present name on January 10, 1961; and

WHEREAS, the authorized capital stock of Mfg. consists of 2500 shares of common stock, of which 248 shares outstanding; and

WHEREAS, the Boards of Directors of the Constituent Corporations deem it advisable for the general welfare and advantage of the Constituent Corporations and their respective shareholders that the Constituent Corporations merge into a single corporation pursuant to this Agreement, and the Constituent Corporations respectively desire to so merge pursuant to this Agreement and pursuant to the applicable provisions of the law of the State of New Jersey.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereby agree, in accordance with the applicable provisions of the law of the State of New Jersey that the Constituent Corporations shall be merged into a single corporation, to wit: MARCAL PAPER MILLS, INC., a New Jersey corporation, one of the Constituent Corporations, which is not a new corporation, and which shall continue its corporate existence and be the corporation surviving the merger (said corporation hereafter being sometimes called the "Surviving

Corporation"), and the terms and conditions of the merger hereby agreed upon (hereafter called the "Merger") which the parties covenant to observe, keep and perform and the mode of carrying the same into effect are and shall be as hereafter set forth:

1. Effective Time of the Merger. At the effective time of the Merger, the separate existence of Products and Mfg. shall cease and Products and Mfg. shall be merged into the Surviving Corporation. Consummation of this Agreement shall be effected on the date on which a Certificate of Merger in substantially the form annexed hereto as Exhibit A is filed in the office of the Department of State of the State of New Jersey and after satisfaction of the requirements of the applicable laws of said State, prerequisite to such filings.

2. Governing Law; Certificate of Incorporation. The law which is to govern the Surviving Corporation is the law of the State of New Jersey. The Certificate of Incorporation of Mills, as heretofore amended, shall, at the effective time of the Merger, shall remain in effect thereafter until the same shall be amended or altered in accordance with the provisions thereof.

3. Bylaws. The Bylaws of Mills at the effective time of the Merger shall be the Bylaws of the Surviving Corporation until the same shall be altered or amended in accordance with the provisions thereof.

4. Directors and Officers. The present directors of Mills shall be the directors of the Surviving Corporation until their respective successors are duly elected and qualified. Subject to

the authority of the Board of Directors as provided by law and the Bylaws of the Surviving Corporation, the officers of Mills at the effective time of the Merger shall be the officers of the Surviving Corporation.

5. Conversion of Shares in the Merger. The mode of carrying into effect the Merger provided in this Agreement, and the manner and basis of converting the shares of the Constituent Corporations into shares of the Surviving Corporation are as follows:

a. Mills Common Stock. All of the shares of common stock, par value \$-0- per share of Mills issued and outstanding at the effective time of the Merger shall remain issued and outstanding.

b. Products and Mfg. Common Stock. At the effective time of the Merger, each share of common stock, par value \$-0- per share of Products issued and outstanding shall be converted into and become 42 shares of common stock, par value \$100 per share of the Surviving Corporation, and each share of common stock, par value \$-0- per share of Mfg. issued and outstanding shall be converted into and become 3.5 shares of common stock, par value \$100 per share of the Surviving Corporation (except that no fractional shares of common stock of the Surviving Corporation shall be issued and in lieu thereof the Surviving Corporation will pay in cash the equivalent of any fractional share as hereinafter provided) and each holder of outstanding common stock of Products and Mfg., upon surrender to the

Surviving Corporation of one or more stock certificates for common stock of Products or Mfg., for cancellation, shall be entitled to receive one or more stock certificates for the full number of shares of common stock of the Surviving Corporation into which the common stock of Products or Mfg. so surrendered shall have been converted as aforesaid. Each issued share of Products and Mfg. common stock held in its treasury at the effective time of the Merger shall be cancelled and shall not be converted.

c. Surrender of Products and Mfg. Certificates. As soon as practicable after the Merger becomes effective, the stock certificates representing common stock of Products and Mfg. issued and outstanding at the time the Merger becomes effective shall be surrendered for exchange to the Surviving Corporation as above provided. Until so surrendered for exchange, each such stock certificate nominally representing common stock of Products and Mfg. shall be deemed for all corporate purposes (except for the payment of dividends, which shall be subject to the exchange of stock certificates as above provided) to evidence the ownership of the number of shares of common stock of the Surviving Corporation which the holder thereof would be entitled to receive upon its surrender to the Surviving Corporation.

6. Effect of the Merger. At the effective time of the Merger, the Surviving Corporation shall succeed to, without other transfer, and shall possess and enjoy, all the rights, privileges, immunities, powers and franchises both of a public

and a private nature, and be subject to all the restrictions, disabilities and duties of each of the Constituent Corporations, and all the rights, privileges, immunities, powers and franchises of each of the Constituent Corporations and all property, real, personal and mixed, and all debts due to either of said Constituent Corporations on whatever account, for stock subscriptions as well as for all other things in action or belonging to each of said Corporations, shall be vested in the Surviving Corporation; and all property, rights, privileges, immunities, powers and franchises, and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the respective Constituent Corporations, and the title to any real estate vested by deed or otherwise in either of said Constituent Corporations shall not revert or be in any way impaired by reason of the Merger; provided, however, that all rights of creditors and all liens upon any property of either of said Constituent Corporations shall be preserved unimpaired, limited in lien to the property affected by such liens at the effective time of the Merger, and all debts, liabilities and duties of said Constituent Corporations, respectively, shall thenceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by the Surviving Corporation.

7. Accounting Matters. The assets and liabilities of the Constituent Corporations as at the effective time of the Merger, shall be taken up on the books of the Surviving Corporation at the amounts at which they shall be carried at that time on the books of the respective Constituent Corporations. The amount of capital of the Surviving Corporation after the Merger shall be equal to the sum of the aggregate amount of the stated capital of the common stock to be issued in the Merger and of the aggregate stated capital of the common stock that will remain issued upon the Merger. The surplus of the Surviving Corporation after the Merger, including any surplus arising in the Merger, shall be available to be used for any legal purposes for which surplus may be used.

8. Approval of Shareholders; Filing of Certificate of Merger. This Agreement shall be submitted to the shareholders of the Constituent Corporations as provided by law and their respective certificates of incorporation at meetings which shall be held on or before August 17, 1989, or such later date as the Board of Directors of the Constituent Corporations shall mutually approve. The respective designations and number of shares of each class of capital stock of the Constituent Corporations outstanding on the date hereof and a statement as to the shares of each class of capital stock of the Constituent Corporations entitled to vote upon the adoption and approval of the Merger are set forth in paragraph Second of Exhibit A hereto. After such adoption and approval, and subject to the conditions

contained in this Agreement, a Certificate of Merger in substantially the form annexed hereto as Exhibit A shall be signed, verified and delivered to the Secretary of State of the State of New Jersey for filing as provided by N.J.S. 14A:10-4 of the business Corporation Law of the State of New Jersey.

9. General Provisions.

a. Termination and Abandonment. Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be terminated and abandoned at any time before the effective time of the Merger, whether before or after adoption or approval of this Agreement by the shareholders of the constituent Corporations under any one or more of the following circumstances:

(i) By the mutual consent of the boards of Directors of the Constituent Corporations.

b. General. This Agreement may be executed simultaneously in three or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

c. Amendments. Any of the terms or conditions of this Agreement may be modified or waived at any time before the effective time of the Merger by the party which is, or the shareholders of which are, entitled to the benefit thereof upon the authority of the Board of Directors of such party, provided that any such modification or waiver shall in the judgment of the

party making it not affect substantially or materially and adversely the benefits to such party or its shareholders intended under this Agreement.

IN WITNESS WHEREOF, this Agreement has been signed by the officers of each of the Constituent Corporations and each of the Constituent Corporations has caused its corporate seal to be hereunto affixed and attested by the signature of its Secretary or an Assistant Secretary, all as of the day and year first above written.

ATTEST:

MARCAL PAPER PRODUCTS, INC.

Florence Noren
FLORENCE NOREN,
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS
President

MARCALUS, MFG. CO., INC.

Florence Noren
FLORENCE NOREN
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS
President

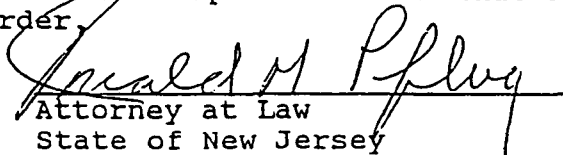
MARCAL PAPER MILLS, INC.

Florence Noren
FLORENCE NOREN
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS
President

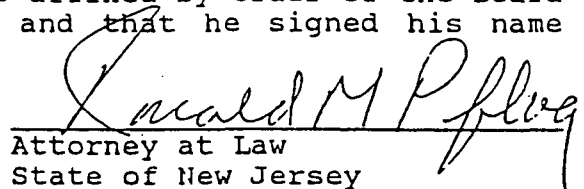
STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

ON THIS 7 day of August 1989, before me the subscriber, personally came NICHOLAS R. MARCALUS to me known, who, being by me duly sworn, did depose and say that he is President of MARCAL PAPER PRODUCTS, INC., the Corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.


Attorney at Law
State of New Jersey

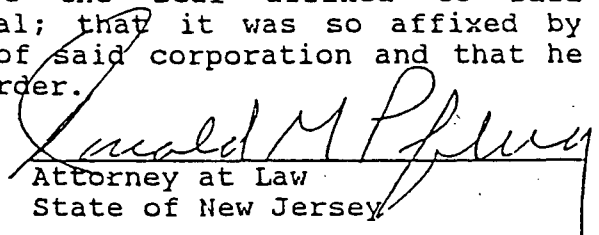
STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

ON THIS 7 day of August, 1989 before me the subscriber, personally came NICHOLAS R. MARCALUS to me known, who, being by me duly sworn, did depose and say that he is President of MARCALUS MFG. CO., INC. the Corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.


Attorney at Law
State of New Jersey

STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

ON THIS 7 day of August, 1989 before me the subscriber, personally came NICHOLAS R. MARCALUS to me known, who, being by me duly sworn, did depose and say that he is President of MARCAL PAPER MILLS, INC. the Corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.


Attorney at Law
State of New Jersey

FILED

JUL 24 1987

CERTIFICATE OF AMENDMENT OF THE

JANE EURGIO

CERTIFICATE OF INCORPORATION OF

Secretary of State

MARCAL PAPER MILLS, INC.

Pursuant to the provisions of sub-sections 14A:9-2(4) and 14A:9-4(3) of the New Jersey Business Corporation Act, Marcal Paper Mills, Inc., a New Jersey corporation, hereby executes the following Certificate of Amendment of its Certificate of Incorporation.

1. The name of the corporation is Marcal Paper Mills, Inc.
2. The following amendment of the corporation's Certificate of Incorporation, as heretofore amended, by adding a new Article TENTH was made by the corporation in the manner prescribed by the New Jersey Business Corporation Act, having first been approved by resolution of the Board of Directors of said corporation on June 19, 1987 and having thereafter been adopted by the shareholders of the corporation on June 19, 1987, pursuant to the unanimous written consents of all of the holders of all of the issued and outstanding stock of the corporation entitled to vote:

TENTH:

A. No director shall be personally liable to the corporation or to any shareholder or shareholders of the corporation for breach of any duty owed to the corporation or its shareholders, provided, however, that this provision shall not relieve a director from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law, or (c) resulting in receipt by the director of an improper personal benefit.

B. No officer shall be personally liable to the corporation or to any shareholder or shareholders of the corporation for breach of any duty owed to the corporation or its shareholders, provided, however, that this provision shall not relieve an officer from liability for any breach of duty based upon an act or omission (a) in breach of such person's duty of loyalty to the corporation or its shareholders, (b) not in good faith or involving a knowing violation of law, or (c) resulting in receipt by the officer of an improper personal benefit.

C. In the event the law permitting the provisions of this Article is changed or expires with respect to either officers or directors, such a change or expiration shall not affect or invalidate those provisions of this Article which remain in accordance with law.


3. The action of the shareholders in adopting the said amendments of the Certificate of Incorporation was taken under Section 14A:5-6(1) and (5) of the New Jersey Business Corporation Act without a meeting and upon the written consents of all of the shareholders of the corporation entitled to vote duly filed with the minutes of the proceedings of the shareholders. The number of shares represented by such consents is 117,525 shares, both common and preferred, being all of the issued shares of common stock 85,482 shares) and of preferred stock (32,043 shares) of the corporation.

4. Pursuant to paragraph 14A:9-4(3)(e) of the New Jersey Business Corporation Act, the total number of shares entitled to vote, 117,525 voted in favor of the foregoing amendment to the corporation's Certificate of Incorporation.

5. The foregoing amendment to the Corporation's Certificate of Incorporation shall become automatically effective for all purposes under New Jersey law at the time of the filing of this Certificate of Amendment in the office of the Secretary of State of New Jersey.

IN WITNESS WHEREOF, said Marcal Paper Mills, Inc. has caused this Certificate of Amendment to be executed on its behalf by its duly authorized President this 19th day of June, 1987.

MARCAL PAPER MILLS, INC.

By: 
NICHOLAS R. MARCALUS
President

CERTIFICATE OF AMENDMENT OF THE
CERTIFICATE OF INCORPORATION OF
MARCAL PAPER MILLS, INC.

DATED: June 19, 1987

BONIN & CRISCUOLI
133 Washington Street
Morristown, New Jersey 07960

(201) 267-2232

FILED

AUG 31 1989

CERTIFICATE OF MERGER
OF
MARCAL PAPER PRODUCTS, INC. AND MARCALUS MFG. CO. INC.
INTO
MARCAL PAPER MILLS, INC.

JANE BURGIO
Secretary of State

Pursuant to the provisions of Chapter 10 of the New Jersey Business Corporation Act, the undersigned corporations, MARCAL PAPER MILLS, INC., a new Jersey corporation, ("Mills"), MARCAL PAPER PRODUCTS, INC. ("Products"), a New Jersey corporation and MARCALUS MFG. CO. INC., a New Jersey corporation ("Mfg.") adopt the following Certificate of Merger for the purpose of merging Products and Mfg. into Mills.

1. Plan of Merger. The Plan of Merger setting forth the terms and conditions of the merger of Products and Mfg. into Mills is attached to this Certificate as Exhibit A.

2. Adoption of Plan. There are 58 shares of common stock, each of \$-0- par value of MARCAL PAPER PRODUCTS, INC. issued and outstanding that were entitled to vote on the Plan of Merger. 58 shares were voted in favor of the Plan of Merger, and 0 shares were voted against the Plan of Merger, at a special meeting of the shareholders of MARCAL PAPER PRODUCTS, INC. held on August 17, 1989. There are 248 shares of common stock, each of \$-0- par value of Mfg. issued and outstanding that were entitled to vote on the Plan of Merger. 248 shares were voted in favor of the Plan of Merger and -0- shares were vote against the Plan of Merger at a special meeting of the shareholders of Mfg. held on August 17, 1989. There are 93,862 shares of common stock, each of \$100 par value of MARCAL PAPER MILLS, INC. issued

and outstanding that were entitled to vote on the Plan of Merger. 93,862 shares were voted in favor of the Plan of Merger, and 0 shares were voted against the Plan of Merger, at a special meeting of the shareholders of MARCAL PAPER MILLS, INC. held on August 17, 1989.

3. Effective Date. The Plan of Merger shall be effective on August 31, 1989.

IN WITNESS WHEREOF, the undersigned corporations have caused this Certificate to be signed and sealed as of August 7, 1989.

ATTEST:

MARCAL PAPER PRODUCTS, INC.

Florence Noren
FLORENCE NOREN, Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS, President

ATTEST:

MARCALUS MFG. CO., INC.

Florence Noren
FLORENCE NOREN,
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS,
President

ATTEST:

MARCAL PAPER MILLS, INC.

Florence Noren
FLORENCE NOREN
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS,
President

FILED

AUG 17 1989

CERTIFICATE OF MERGER
OF
MARCAL PAPER PRODUCTS, INC. AND MARCALUS MFG. CO. INC.
INTO
MARCAL PAPER MILLS, INC.

JANE SURGIO
Secretary of State

Pursuant to the provisions of Chapter 10 of the New Jersey Business Corporation Act, the undersigned corporations, MARCAL PAPER MILLS, INC., a new Jersey corporation, ("Mills"), MARCAL PAPER PRODUCTS, INC. ("Products"), a New Jersey corporation and MARCALUS MFG. CO. INC., a New Jersey corporation ("Mfg.") adopt the following Certificate of Merger for the purpose of merging Products and Mfg. into Mills.

1. Plan of Merger. The Plan of Merger setting forth the terms and conditions of the merger of Products and Mfg. into Mills is attached to this Certificate as Exhibit A.

2. Adoption of Plan. There are 58 shares of common stock, each of \$-0- par value of MARCAL PAPER PRODUCTS, INC. issued and outstanding that were entitled to vote on the Plan of Merger. 58 shares were voted in favor of the Plan of Merger, and 0 shares were voted against the Plan of Merger, at a special meeting of the shareholders of MARCAL PAPER PRODUCTS, INC. held on August 17, 1989. There are 248 shares of common stock, each of \$-0- par value of Mfg. issued and outstanding that were entitled to vote on the Plan of Merger. 248 shares were voted in favor of the Plan of Merger and -0- shares were vote against the Plan of Merger at a special meeting of the shareholders of Mfg. held on August 17, 1989. There are 93,862 shares of common stock, each of \$100 par value of MARCAL PAPER MILLS, INC. issued

and outstanding that were entitled to vote on the Plan of Merger. 93,862 shares were voted in favor of the Plan of Merger, and 0 shares were voted against the Plan of Merger, at a special meeting of the shareholders of MARCAL PAPER MILLS, INC. held on August 17, 1989.

3. Effective Date. The Plan of Merger shall be effective on August 31, 1989.

IN WITNESS WHEREOF, the undersigned corporations have caused this Certificate to be signed and sealed as of August 7, 1989.

ATTEST:

MARCAL PAPER PRODUCTS, INC.

Florence Noren
FLORENCE NOREN, Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS, President

ATTEST:

MARCALUS MFG. CO., INC.

Florence Noren
FLORENCE NOREN,
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS,
President

ATTEST:

MARCAL PAPER MILLS, INC.

Florence Noren
FLORENCE NOREN
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS,
President

PLAN OF MERGER

PLAN AND AGREEMENT OF MERGER (hereafter called "this Agreement"), dated August 27, 1989 by and between MARCAL PAPER MILLS, INC., a New Jersey corporation (hereinafter called "Mills"), MARCAL PAPER PRODUCTS, INC., a New Jersey corporation, (hereinafter called "Products"), and MARCALUS MFG. CO. INC., a New Jersey corporation (hereinafter called "Mfg."), said corporations being hereinafter sometimes collectively referred to as the "Constituent Corporations".

W I T N E S S E T H :

WHEREAS, Mills is a corporation duly organized and existing under the laws of the State of New Jersey, having been incorporated on April 29, 1932, under the name Marcalus Manufacturing Co., Inc., changing to its present name on May 1, 1960; and

WHEREAS, the authorized capital stock of Mills consists of 300,000 shares of common stock of which 93,862 shares are outstanding; and

WHEREAS, Products is a corporation duly organized and existing under the laws of the State of New Jersey having been incorporated on December 27, 1948, under the name Marcal Paper Mills, Inc., changing to its present name on May 1, 1960; and

WHEREAS, the authorized capital stock of Products consists of 2500 shares of common stock, of which 58 shares are outstanding; and

WHEREAS, Mfg. is a corporation duly organized and existing under the laws of the State of New Jersey having been incorporated on May 2, 1960 under the name Marcalus Manufacturing Co., Inc., changing to its present name on January 10, 1961; and

WHEREAS, the authorized capital stock of Mfg. consists of 2500 shares of common stock, of which 248 shares outstanding; and

WHEREAS, the Boards of Directors of the Constituent Corporations deem it advisable for the general welfare and advantage of the Constituent Corporations and their respective shareholders that the Constituent Corporations merge into a single corporation pursuant to this Agreement, and the Constituent Corporations respectively desire to so merge pursuant to this Agreement and pursuant to the applicable provisions of the law of the State of New Jersey.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereby agree, in accordance with the applicable provisions of the law of the State of New Jersey that the Constituent Corporations shall be merged into a single corporation, to wit: MARCAL PAPER MILLS, INC., a New Jersey corporation, one of the Constituent Corporations, which is not a new corporation, and which shall continue its corporate existence and be the corporation surviving the merger (said corporation hereafter being sometimes called the "Surviving

Corporation"), and the terms and conditions of the merger hereby agreed upon (hereafter called the "Merger") which the parties covenant to observe, keep and perform and the mode of carrying the same into effect are and shall be as hereafter set forth:

1. Effective Time of the Merger. At the effective time of the Merger, the separate existence of Products and Mfg. shall cease and Products and Mfg. shall be merged into the Surviving Corporation. Consummation of this Agreement shall be effected on the date on which a Certificate of Merger in substantially the form annexed hereto as Exhibit A is filed in the office of the Department of State of the State of New Jersey and after satisfaction of the requirements of the applicable laws of said State, prerequisite to such filings.

2. Governing Law; Certificate of Incorporation. The law which is to govern the Surviving Corporation is the law of the State of New Jersey. The Certificate of Incorporation of Mills, as heretofore amended, shall, at the effective time of the Merger, shall remain in effect thereafter until the same shall be amended or altered in accordance with the provisions thereof.

3. Bylaws. The Bylaws of Mills at the effective time of the Merger shall be the Bylaws of the Surviving Corporation until the same shall be altered or amended in accordance with the provisions thereof.

4. Directors and Officers. The present directors of Mills shall be the directors of the Surviving Corporation until their respective successors are duly elected and qualified. Subject to

the authority of the Board of Directors as provided by law and the Bylaws of the Surviving Corporation, the officers of Mills at the effective time of the Merger shall be the officers of the Surviving Corporation.

5. Conversion of Shares in the Merger. The mode of carrying into effect the Merger provided in this Agreement, and the manner and basis of converting the shares of the Constituent Corporations into shares of the Surviving Corporation are as follows:

a. Mills Common Stock. All of the shares of common stock, par value \$-0- per share of Mills issued and outstanding at the effective time of the Merger shall remain issued and outstanding.

b. Products and Mfg. Common Stock. At the effective time of the Merger, each share of common stock, par value \$-0- per share of Products issued and outstanding shall be converted into and become 42 shares of common stock, par value \$100 per share of the Surviving Corporation, and each share of common stock, par value \$-0- per share of Mfg. issued and outstanding shall be converted into and become 3.5 shares of common stock, par value \$100 per share of the Surviving Corporation (except that no fractional shares of common stock of the Surviving Corporation shall be issued and in lieu thereof the Surviving Corporation will pay in cash the equivalent of any fractional share as hereinafter provided) and each holder of outstanding common stock of Products and Mfg., upon surrender to the

Surviving Corporation of one or more stock certificates for common stock of Products or Mfg., for cancellation, shall be entitled to receive one or more stock certificates for the full number of shares of common stock of the Surviving Corporation into which the common stock of Products or Mfg. so surrendered shall have been converted as aforesaid. Each issued share of Products and Mfg. common stock held in its treasury at the effective time of the Merger shall be cancelled and shall not be converted.

c. Surrender of Products and Mfg. Certificates. As soon as practicable after the Merger becomes effective, the stock certificates representing common stock of Products and Mfg. issued and outstanding at the time the Merger becomes effective shall be surrendered for exchange to the Surviving Corporation as above provided. Until so surrendered for exchange, each such stock certificate nominally representing common stock of Products and Mfg. shall be deemed for all corporate purposes (except for the payment of dividends, which shall be subject to the exchange of stock certificates as above provided) to evidence the ownership of the number of shares of common stock of the Surviving Corporation which the holder thereof would be entitled to receive upon its surrender to the Surviving Corporation.

6. Effect of the Merger. At the effective time of the Merger, the Surviving Corporation shall succeed to, without other transfer, and shall possess and enjoy, all the rights, privileges, immunities, powers and franchises both of a public

and a private nature, and be subject to all the restrictions, disabilities and duties of each of the Constituent Corporations, and all the rights, privileges, immunities, powers and franchises of each of the Constituent Corporations and all property, real, personal and mixed, and all debts due to either of said Constituent Corporations on whatever account, for stock subscriptions as well as for all other things in action or belonging to each of said Corporations, shall be vested in the Surviving Corporation; and all property, rights, privileges, immunities, powers and franchises, and all and every other interest shall be thereafter as effectually the property of the Surviving Corporation as they were of the respective Constituent Corporations, and the title to any real estate vested by deed or otherwise in either of said Constituent Corporations shall not revert or be in any way impaired by reason of the Merger; provided, however, that all rights of creditors and all liens upon any property of either of said Constituent Corporations shall be preserved unimpaired, limited in lien to the property affected by such liens at the effective time of the Merger, and all debts, liabilities and duties of said Constituent Corporations, respectively, shall thenceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by the Surviving Corporation.

7. Accounting Matters. The assets and liabilities of the Constituent Corporations as at the effective time of the Merger, shall be taken up on the books of the Surviving Corporation at the amounts at which they shall be carried at that time on the books of the respective Constituent Corporations. The amount of capital of the Surviving Corporation after the Merger shall be equal to the sum of the aggregate amount of the stated capital of the common stock to be issued in the Merger and of the aggregate stated capital of the common stock that will remain issued upon the Merger. The surplus of the Surviving Corporation after the Merger, including any surplus arising in the Merger, shall be available to be used for any legal purposes for which surplus may be used.

8. Approval of Shareholders; Filing of Certificate of Merger. This Agreement shall be submitted to the shareholders of the Constituent Corporations as provided by law and their respective certificates of incorporation at meetings which shall be held on or before August 17, 1989, or such later date as the Board of Directors of the Constituent Corporations shall mutually approve. The respective designations and number of shares of each class of capital stock of the Constituent Corporations outstanding on the date hereof and a statement as to the shares of each class of capital stock of the Constituent Corporations entitled to vote upon the adoption and approval of the Merger are set forth in paragraph Second of Exhibit A hereto. After such adoption and approval, and subject to the conditions

contained in this Agreement, a Certificate of Merge substantially the form annexed hereto as Exhibit A shall be signed, verified and delivered to the Secretary of State of the State of New Jersey for filing as provided by N.J.S. 14A:10-4 of the business Corporation Law of the State of New Jersey.

9. General Provisions.

a. Termination and Abandonment. Anything herein or elsewhere to the contrary notwithstanding, this Agreement may be terminated and abandoned at any time before the effective time of the Merger, whether before or after adoption or approval of this Agreement by the shareholders of the constituent Corporations under any one or more of the following circumstances:

(i) By the mutual consent of the boards of Directors of the Constituent Corporations.

b. General. This Agreement may be executed simultaneously in three or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

c. Amendments. Any of the terms or conditions of this Agreement may be modified or waived at any time before the effective time of the Merger by the party which is, or the shareholders of which are, entitled to the benefit thereof upon the authority of the Board of Directors of such party, provided that any such modification or waiver shall in the judgment of the

party making it not affect substantially or materially adversely the benefits to such party or its shareholders intended under this Agreement.

IN WITNESS WHEREOF, this Agreement has been signed by
officers of each of the Constituent Corporations and each of the
Constituent Corporations has caused its corporate seal to be
hereunto affixed and attested by the signature of its Secretary
or an Assistant Secretary, all as of the day and year first above
written.

ATTEST:

MARCAL PAPER PRODUCTS, INC.

Florence Noren
FLORENCE NOREN,
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS
President

MARCALUS, MFG. CO., INC.

Florence Noren
FLORENCE NOREN
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS
President

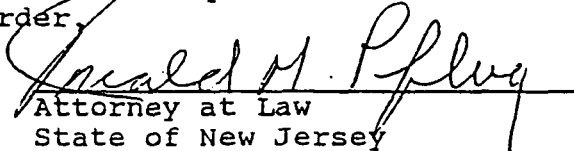
MARCAL PAPER MILLS, INC.

Florence Noren
FLORENCE NOREN
Secretary

By: N.R. Marcalus
NICHOLAS R. MARCALUS
President

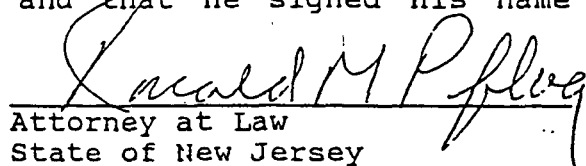
STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

ON THIS 7 day of August 1989, before me the subscriber, personally came NICHOLAS R. MARCALUS to me known, who, being by me duly sworn, did depose and say that he is President of MARCAL PAPER PRODUCTS, INC., the Corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.


Attorney at Law
State of New Jersey

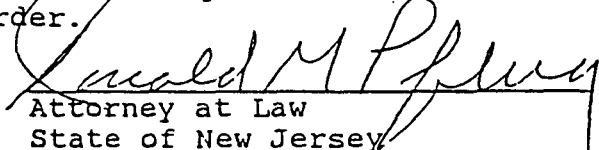
STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

ON THIS 7 day of August, 1989 before me the subscriber, personally came NICHOLAS R. MARCALUS to me known, who, being by me duly sworn, did depose and say that he is President of MARCALUS MFG. CO., INC. the Corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.


Attorney at Law
State of New Jersey

STATE OF NEW JERSEY)
) SS.
COUNTY OF BERGEN)

ON THIS 7 day of August, 1989 before me the subscriber, personally came NICHOLAS R. MARCALUS to me known, who, being by me duly sworn, did depose and say that he is President of MARCAL PAPER MILLS, INC. the Corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.


Attorney at Law
State of New Jersey

FILED

JUL 27 1999

CERTIFICATE OF AMENDMENT OF THE

CERTIFICATE OF INCORPORATION OF

James A. DiMauro, Jr.
State Treasurer

MARCAL PAPER MILLS, INC.

Pursuant to the provisions of sub-sections 14A:9-2(4) and 14A:9-4(3) of the New Jersey Business Corporation Act, Marcal Paper Mills, Inc., a New Jersey corporation, hereby executes the following Certificate of Amendment to its Certificate of Incorporation.

1. The name of the corporation is Marcal Paper Mills, Inc.
2. The following amendment to the corporation's Certificate of Incorporation, as heretofore amended, was made by the corporation in the manner prescribed by the New Jersey Business Corporation Act, having first been approved by resolution of the Board of Directors of said corporation on July 22, 1999, and having thereafter been adopted by the shareholders of the corporation on July 22, 1999, pursuant to the unanimous written consents of all of the holders of all of the issued and outstanding stock of the corporation entitled to vote:

ARTICLE FOURTH(b)IV. "Restriction on Transfer and Registration of Transfer of Shares" is hereby deleted.

3. The action of the shareholders in adopting the said amendment of the Certificate of Incorporation was taken under Section 14A:5-6(1) and (5) of the New Jersey Business Corporation Act without a meeting and upon the written consents of all of the shareholders of the corporation entitled to vote duly filed with the minutes of the proceedings of the shareholders. The number of shares represented

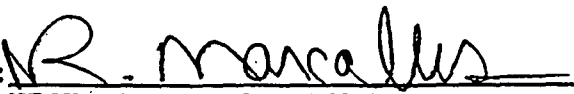
by such consents is 94,862 shares, being all of the issued shares of common stock of the corporation.

4. Pursuant to paragraph 14A:9-4(3)(e) of the New Jersey Business Corporation Act, the total number of shares entitled to vote, 94,862 voted in favor and -0- voted against the foregoing amendment of the corporation's Certificate of Incorporation.

5. The foregoing amendment of the corporation's Certificate of Incorporation shall become automatically effective for all purposes under New Jersey law at the time of the filing of this Certificate of Amendment in the office of the Secretary of State of New Jersey.

IN WITNESS WHEREOF, Marcal Paper Mills, Inc. has caused this Certificate of Amendment to be executed on its behalf by its duly authorized President and Chief Executive Officer this 22nd day of July, 1999.

MARCAL PAPER MILLS, INC.

BY: 
NICHOLAS R. MARCALUS,
PRESIDENT & C.E.O.

CERTIFICATE OF AMENDMENT OF THE
CERTIFICATE OF INCORPORATION OF
MARCAL PAPER MILLS, INC.

DATED: July 22, 1999

CHARLES V. BONIN, ESQ.
133 WASHINGTON STREET
MORRISTOWN, NEW JERSEY 07960
(973) 267-2232

FILED

NOV 23 1999

CERTIFICATE OF AMENDMENT OF THE

CERTIFICATE OF INCORPORATION OF

~~State Treasurer~~

MARCAL PAPER MILLS, INC.

Pursuant to the provisions of sub-sections 14A:7-15.1(4), 14A:9-2(4) and 14A:9-4(3) of the New Jersey Business Corporation Act, Marcal Paper Mills, Inc., a New Jersey corporation, hereby executes the following Certificate of Amendment of its Certificate of Incorporation.

1. The name of the corporation is Marcal Paper Mills, Inc.
2. The following amendment to the corporation's Certificate of Incorporation, as heretofore amended, was made by the corporation in a manner prescribed by the New Jersey Business Corporation Act, having first been approved by resolution of the Board of Directors of said corporation on November 18, 1999, and having thereafter been adopted by the shareholders of the corporation on November 18, 1999, pursuant to the unanimous written consents of all of the holders of all of the issued and outstanding stock of the corporation entitled to vote:

Paragraph (a) OF ARTICLE FOURTH is amended to read as follows:

"The aggregate number of shares which the Corporation shall have authority to issue is 7,500,000 shares of Common Stock, par value \$.04 per share (the "Common Stock")."

3. The action of the shareholders in adopting the said amendment of the Certificate of Incorporation was taken under Section 14A:5-6(1) and (5) of the New Jersey Business Corporation Act without a meeting and upon the written consents of all of the shareholders of

the corporation entitled to vote duly filed with the minutes of the proceedings of the shareholders. The number of shares represented by such consents is 94,862 shares, being all of the issued shares of common stock of the corporation.

4. Upon becoming effective according to law, said amendment:

(I) Increases the aggregate number of shares which the corporation shall have authority to issue from 300,000 to 7,500,000 shares, by increasing the authorized Common Stock of the corporation from 300,000 to 7,500,000 shares;

(II) Changes the par value of the Common Stock from \$1.00 per share to \$.04 per share; and

(III) Effectuates a 25-for-one split of the presently issued and outstanding shares of Common Stock, without changing the stated capital of the corporation.

The following information required by Paragraph 14A:7-15.1(3)(d) of the New Jersey Business Corporation Act as herein set forth:

(a). The shares divided are all of the class of 300,000 presently authorized shares of Common Stock of the par value of \$1.00 per share, including the 94,862 shares of Common Stock issued and outstanding.

(b). The number of shares into which they are being divided is 7,500,000 authorized shares consisting of a single class of Common Stock of the par value of \$.04 per share.

5. Pursuant to paragraph 14A:9-4(3)(d) & (e) of the New Jersey Business Corporation Act, the total number of shares entitled to vote, 94,862 voted in favor and -0- voted against the foregoing amendment of the corporation's Certificate of Incorporation.

6. Pursuant to Paragraph 14A:9-4(3)(f) of the New Jersey Business Corporation Act, the following is a statement of the manner in which the within exchange of the shares of Common Stock is being effected, as set forth in the Resolutions set forth in the corporation's Board of Directors:

"RESOLVED, that upon said amendment becoming effective in the manner provided by law":

(a) Each share of the Common Stock of the Company of the par value of \$1.00 per share shall, automatically and without further action on the part of any holder hereof or of the Company be changed and converted into 25 shares of Common Stock of par value of \$.04 per share; any and all fractional shares shall be correspondingly changed pro rata on the same basis.

(b) Each holder of any outstanding certificate or certificates theretofore representing the Company's shares of Common Stock (\$1.00 par value) shall properly surrender the same to the Company, and such holder shall be entitled upon such surrender to receive in exchange therefore, a certificate or certificates representing the number of shares of the Company's Common Stock of the par value of \$.04 per share as provided in the proceeding paragraph (a) hereof.

(c) The present stated capital of the Company shall remain unchanged.

6. The foregoing amendment of the corporation's Certificate of Incorporation and the said 25-for-one split of said shares of the Common Stock shall become automatically effective for all purposes under New Jersey law at the time of the filing of this Certificate of Amendment in the office of the Secretary of State of New Jersey.

IN WITNESS WHEREOF, Marcal Paper Mills, Inc. has caused this Certificate of Amendment to be executed on its behalf by its duly authorized President and Chief Executive Officer this 18th day of November, 1999.

MARCAL PAPER MILLS, INC.

BY: 
NICHOLAS R. MARCALUS,
PRESIDENT & C.E.O.

CERTIFICATE OF AMENDMENT OF THE
CERTIFICATE OF INCORPORATION OF
MARCAL PAPER MILLS, INC.

DATED: November 18, 1999

CHARLES V. BONIN, ESQ.
133 WASHINGTON STREET
MORRISTOWN, NEW JERSEY 07960
(973) 267-2232

*To be considered for
revision*

BY-LAWS
OF
MARCAL PAPER MILLS, INC.

ARTICLE I.

OFFICES

The Company shall have its principal office at 30 Montgomery Street, in the City of Jersey City, State of New Jersey, and may also have offices at such other places as the Board of Directors may from time to time appoint or the business of the Company may require.

ARTICLE II.

SEAL

The corporate seal shall have inscribed thereon the name of the Company, the year of its creation, and the words 'Corporate Seal, New Jersey'.

ARTICLE III.

STOCKHOLDERS

Sec. 1. Place of Meeting. All meetings of stockholders shall be held at the office of the Company, Market Street, Borough of Elmwood Park, State of New Jersey.

Sec. 2. Quorum. A majority of the stock issued and outstanding represented by the holders thereof, either in person or by proxy, shall be a quorum at all meetings of stockholders.

Sec. 3. Annual Meeting. The annual meeting of the stockholders shall be held on the second Tuesday in May in each year, beginning with the year 1960, at the hour of 10:30 A.M., if not a legal holiday, and if a legal holiday, then on the day following, when they shall elect, by a plurality vote, by ballot, the Board of Directors as constituted in number and otherwise by these By-laws, each stockholder being entitled to one vote in person or by proxy, for each share of stock standing registered in his or her name

on the twentieth day preceding the election, exclusive of the day of such election. Such other business shall be transacted as may come before the meeting.

Sec. 4. Notice of Annual Meeting. Notice of the annual meeting shall be mailed to each stockholder, at his address as the same appears upon the records of the Company at least ten (10) days prior to the meeting.

Sec. 5. Adjournment of Meetings. At such annual meeting, if a majority of the stock shall not be represented, the stockholders present shall have power to adjourn to a day certain, and notice of the meeting of the adjourned day shall be given by depositing the same in the post office addressed to each stockholder at least five (5) days before such adjourned meeting, exclusive of the day of mailing, but if a majority of the stock be present in person or by proxy they shall have power from time to time to adjourn the annual meeting to any subsequent day or days, and no notice of the adjourned meeting need be given.

Sec. 6. Special Meetings. Special meetings of the stockholders shall, at the request of the president or any director, be called by the secretary by mailing a notice stating the object of such meeting, at least ten (10) days prior to the date of meeting, to each stockholder of record at his address, as the same appears on the records of the Company.

ARTICLE IV.

DIRECTORS

Sec. 1. Number, Qualifications, Tenure. The directors, ~~nine~~ (9) in number, shall hold office for one year and until others are elected and qualify in their stead. Directors need not be shareholders of the Company. The number of directors may be increased or decreased by amendment of this provision of these By-laws or as may be provided in the Certificate of Incorporation.

Sec. 2. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this By-law, immediately after, and at the same place as, the annual meeting of the stockholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of New Jersey, for the holding of additional regular meetings without other notice than such resolution.

Sec. 3. Special Meetings. Special meetings of the Board may be called by the president in his discretion or upon the request of any director on one day's notice by mail or personally to each director.

Sec. 4. Quorum. A majority of the Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the Directors are present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Sec. 5. Manner of Acting. The act of a majority of the Directors present at a meeting at which there is a quorum shall be the act of the Board of Directors.

Sec. 6. Vacancies. Except as otherwise provided in the Certificate of Incorporation, any vacancy occurring in the Board of Directors, however caused, shall be filled for the unexpired term by the majority vote of the remaining directors. Any vacancy occurring in the Board of Directors by reason of an increase in the number of directors shall be filled at the annual meeting or special meeting of stockholders called for that purpose.

Sec. 7. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Directors; provided, that nothing herein contained shall be construed to preclude any Director from serving the Company in any other capacity and receiving compensation therefor.

Sec. 8. Powers. The Board of Directors shall have the management of the business of the Company, and may, subject to the provisions of statute, of the Certificate of Incorporation and of these By-laws, exercise all such powers and do all such things as may be exercised or done by the Company.

ARTICLE V.

EXECUTIVE COMMITTEE

Sec. 1. Composition and Powers. There may be an executive committee composed of such Directors as shall be appointed by the Board, who shall meet when they see fit. They shall have the authority to exercise all the powers of the Board at any time when the Board is not in session.

Sec. 2. Permissible Action. The executive committee may act by the written consent of a majority of a quorum thereof, although not formally convened.

ARTICLE VI.

OFFICERS

Sec. 1. General. At the annual meeting when there shall be a quorum, the Board of Directors shall elect a president from their own number and one or more vice presidents, a treasurer, a controller, a secretary, in its discretion, an assistant secretary or secretaries, and such other subordinate officers as the Board may deem necessary, who need not be members of the Board, who shall hold office for one year and until others are chosen and qualify in their stead in the manner hereinafter provided. Any two or more offices may be held by the same person, except the office of President and Secretary.

Sec. 2. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors without cause whenever in its judgement the best interests of the Company shall be served thereby, but such removal shall be without prejudice to the contract rights, if any, of such person so removed.

Sec. 3. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Sec. 4. President. The president shall be the principal executive officer of the Company and shall in general supervise and control all of the business and affairs of the Company. He shall preside at all meetings of the stockholders and of the Board of Directors.

Sec. 5. The Vice-Presidents. In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice-president may sign, with the secretary or an assistant secretary or the treasurer, certificates for shares of the Company; and shall perform such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Sec. 6. The Treasurer. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall: (a) have charge and custody of and be responsible for all funds and securities of the Company; receive and give receipts for moneys due and payable to the Company from any source whatsoever, and deposit all such moneys in the name of the Company in such banks, trust companies or other depositaries

as shall be selected by the Board of Directors; (b) in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Sec. 7. The Comptroller. The Comptroller shall keep proper and accurate books of account of the Company's transactions, which shall be the property of the Company and shall be subject at all times to inspection by the officers of the Company and the Board of Directors. He shall give such assistance, advice and information as the president or Board of Directors may desire concerning the financial transactions or status of the Company, and furnish to the president or the Board of Directors such statements or reports concerning the same as may be requested.

Sec. 8. The Secretary and any Assistant Secretary or Secretaries. The secretary shall (a) keep the minutes of the stockholders' and of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; (c) be custodian of the corporate records and of the seal of the Company and see that the seal of the Company is affixed to all certificates for shares prior to the issue thereof and to all documents, the execution of which on behalf of the Company under its seal is duly authorized in accordance with the provisions of these By-laws; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Company; (f) in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board of Directors. Any assistant secretary or secretaries shall be responsible to the secretary for the performance of so many of the foregoing duties as may be assigned to him or them by the secretary.

Sec. 8. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Company.

Sec. 9. Delegation. In case of the absence of an officer of the company, or for any other reason that may seem sufficient to the Board, the Board of Directors may delegate his powers and duties for the time being to any other officer, or to any director.

ARTICLE VII.

CAPITAL STOCK

Sec. 1. Certificates. Certificates of each class of stock of the Company shall be consecutively numbered and shall be signed by the president or a vice-president and by the secretary or assistant secretary or treasurer and the seal of the Company shall be affixed thereto. Certificates for each class of stock of the Company shall be bound in a book or books and shall be issued in consecutive order therefrom, and in the margin thereof shall be entered the name of the person owning the shares therein represented, the number of shares, and the date of issue thereof.

Sec. 2. Transfers. All transfers of the stock of the Company shall be made upon the books of the Company only by the holder thereof in person or by his duly authorized attorney or legal representative. Certificates of stock shall be surrendered at the time of transfer and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate, a new one may be issued therefor upon such terms and indemnity to the Company as the Board of Directors may prescribe. No shares shall be transferred except in strict conformity with the provisions of the Certificate of Incorporation.

Sec. 3. Owner. The Company shall be entitled to treat the person in whose name stock stands on the books of the Company as the absolute owner thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, except as expressly provided by the laws of New Jersey.

ARTICLE VIII.

FISCAL YEAR

The fiscal year of the Company shall begin on the first day of May in each year and end on the thirtieth day of April in each year.

ARTICLE IX.

DIVIDENDS

The Board of Directors of the Company may declare from time to time, and the Company may pay, dividends on its outstanding shares of capital stock in such amounts as the Board of Directors may from time to time designate, such dividends to be declared in the manner and upon the terms and conditions provided by law and by the Certificate of Incorporation, provided, however, that without discretion, mandatory cumulative preferential dividends shall be declared and paid on the preferred stock of the Company in the amount and in the manner provided in the Certificate of Incorporation.

ARTICLE X.

WAIVER OF NOTICE

Whenever any notice whatever is required to be given under the provisions of these By-laws or under the provisions of the Certificate of Incorporation or under the provisions of the Revised Statutes of New Jersey, waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI.

AMENDMENTS

These By-laws may be altered, amended or repealed and new By-laws may be adopted at any meeting of the Board of Directors of the Company by a majority vote of the Directors present at the meeting.

SEALD ACTION

EXHIBIT A

6/16/83

With the election of N. R. Marcalus to President - Chief Operations Officer, and the creation of the new position of Chairman - Chief Executive Officer, the by-laws are to be changed to reflect these modifications.

Change of
By-laws

RESOLVED, That Article I, "Offices," of the by-laws of the Marcal Paper Mills, Inc. be amended to read as follows:

The Company shall have its principal office at 1 Market Street, in the Borough of Elmwood Park, State of New Jersey, and may also have offices at such other places as the Board of Directors may from time to time appoint or the business of the Company may require.

FURTHER RESOLVED, That Article VI, "Officers," section 4 and 5 are amended to read:

Section 4. The Chairman of the Board shall be the Chief Executive Officer and the President shall be the Chief Operations Officer.

The Chairman of the Board will preside at all meetings of the Stockholders and of the Board of Directors.

Section 5. The President, in the absence of the Chief Executive Officer, or in the event of his inability or refusal to act, shall perform the duties of the Chief Executive Officer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer.

WHEREAS, on October 16, 1997, the Board of Directors of Marcal Paper Mills, Inc., amended the By-laws of the Corporation making the annual meeting of the stockholders the second Tuesday in January, at 10:30 A.M.; and

WHEREAS, the Board of Directors of Marcal Paper Mills, Inc., upon reconsideration deem it advisable and of the best interest of the Corporation to again amend the By-laws of the Corporation changing the annual meeting of stockholders from the second Tuesday in January, at 10:30 A.M., to the second Tuesday in May, at 10:30 A.M.; and

WHEREAS, Article XI of the By-laws of the Corporation permits the amendment of By-laws by a majority vote of the directors present at a duly called meeting of the Board of Directors; and

WHEREAS, Article VI of the Certificate of Incorporation of the Corporation provides the Board of Directors with the power to make, alter and repeal the By-laws;

NOW THEREFORE, be it resolved as follows:

RESOLVED that the Board of Directors of Marcal Paper Mills, Inc., a Corporation of New Jersey deems it advisable and of the best interest of the Corporation and declares it to be advisable and of the best interest of the Corporation that the By-laws of the Corporation be amended as follows:

ARTICLE III

Sec. 3. Annual Meeting. The annual meeting of the stockholders shall be held on the second Tuesday in May in each year, beginning with the year 1998, at the hour of 10:30 A.M., if not a legal holiday, and if a legal holiday, then on the day following, when they shall elect, by a plurality vote, by ballot, the Board of Directors as constituted in number and otherwise by these By-laws, each stockholder being entitled to one vote in person or by proxy, for each share of stock standing registered in his or her name on the twentieth day preceding the election, exclusive of the day of such election. Such other business shall be transacted as may come before the meeting.

WHEREAS, the Board of Directors of Marcal Paper Mills, Inc., deem it advisable and of the best interest of the Corporation to amend the By-laws of the Corporation changing the fiscal year of the Corporation from May 1, through April 30, to January 1, through December 31, (a calendar year), and the annual meeting of stockholders from the second Tuesday in May at 10:30 A.M. to the second Tuesday in January at 10:30 A.M.; and

WHEREAS, Article XI of the By-laws of the Corporation permits the amendment of By-laws by a majority vote of the directors present at a duly called meeting of the Board of Directors; and

WHEREAS, Article VI of the Certificate of Incorporation of the Corporation provides the Board of Directors with the power to make, alter and repeal the By-laws;

NOW THEREFORE, be it resolved as follows:

RESOLVED that the Board of Directors of Marcal Paper Mills, Inc., a Corporation of New Jersey deems it advisable and of the best interest of the Corporation and declares it to be advisable and of the best interest of the Corporation that the By-laws of the Corporation be amended as follows:

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ARTICLE VIII

FISCAL YEAR

The fiscal year of the Company shall begin on the first day of January in each year and end on the thirty first day of December in each year.

**CORPORATE RESOLUTION
OF
MARCAL PAPER MILLS, INC.**

UNANIMOUS CONSENT IN LIEU OF MEETING

The undersigned, being all of the directors of Marcal Paper Mills, Inc., a New Jersey corporation, do hereby consent to the adoption of, and do hereby adopt, the following resolutions in lieu of a Special Meeting of the Board of Directors of the Corporation, pursuant to N.J.S.A. 14A:6-7.1(5):

WHEREAS, in the past years the Stockholders of the Corporation elected unanimously ten (10) directors of the Corporation; and

WHEREAS, the By-laws of the Corporation call for (9) directors of the Corporation; and

WHEREAS, the Board of Directors of the Corporation upon due consideration deem it advisable and of the best interest of the Corporation to amend the By-laws of the Corporation increasing the number of directors to eleven (11) persons; and

WHEREAS, the Board of Directors of the Corporation upon further consideration deem it advisable and of the best interest of the Corporation that there shall be an eleventh director only when demanded by one of its lenders (American Capital Strategies, LTD) pursuant to the terms and conditions set forth in the Note Purchase Agreement between said lender and the Corporation; and

WHEREAS, Article XI of the By-laws of the Corporation permits the amendment of the By-laws by a majority vote of the directors present at a duly called meeting of the Board of Directors; and

WHEREAS, N.J.S.A. 14A:6-7.1(5) allows the directors to act in lieu of a special meeting of directors; and

WHEREAS, Article VI of the Certificate of Incorporation of the Corporation provides the Board of Directors with the power to make, alter and repeal the By-laws;

NOW THEREFORE, be it resolved as follows:

RESOLVED that the Board of Directors of Marcal Paper Mills, Inc., a corporation of New Jersey deems it advisable and of the best interest of the Corporation and declares it to be advisable and of the best interest of the Corporation that the By-laws of the Corporation be amended as follows:

ARTICLE IV

Sec. 1. Number, Qualifications, Tenure. The directors, eleven (11) in number, shall hold office for one year and until others are elected and qualify in their stead. Directors

need not be shareholders of the Company. The number of directors may be increased or decreased by amendment of this provision of these By-laws or as may be provided in the Certificate of Incorporation.

Sec. 9. American Capital Strategies, LTD (ACAS) Director. ACAS shall have the right to designate one of the members of the Company's Board of Directors so long as all or any of the principal amount of the Notes or interest thereon shall remain outstanding, or for so long as ACAS shall hold any Warrant or Common Stock of the Company. Upon the occurrence, and during the continuance, of the Event of Default pursuant to Section 8.1(a) of the Note Purchase Agreement that remains uncured for 60 days (whether or not the unpaid balance on the Notes shall immediately become due and payable pursuant to Sections 8.2(a) or (b) of the Note Purchase Agreement or upon acceleration of the payment of principal of the Notes pursuant to Sections 8.2(a), or (b) of the Note Purchase Agreement, the Purchasers shall have the right to designate a majority of the members of the Company's Board of Directors. In the event that ACAS shall have the right to elect a majority of Board of Directors as aforesaid, such right shall continue until all Events of Default are cured and for a period of 180 days following all such cures. Members of the Board of Directors designated by ACAS shall receive board fees at not less than the amount received by other Members of the Board plus reimbursement for reasonable out-of-pocket expenses from the Company incurred in connection with attendance at Board of Directors, committee and stockholder meetings. Capitalized term contained in this section of the Company's By-laws shall be as defined in the Note Purchase Agreement between the Company and ACAS dated November , 2001.

DATED:	<u>ROBERT L. MARCALUS</u>
DATED:	<u>NICHOLAS R. MARCALUS</u>
DATED:	<u>PETER A. MARCALUS</u>
DATED:	<u>CHARLES V. BONIN</u>
DATED:	<u>DAVID SHAPIRO</u>
DATED:	<u>JOEL H. GOLDBERG</u>
DATED:	<u>LEONARD S. POLANER</u>
DATED:	<u>ANTHONY R. COSCIA</u>
DATED:	<u>JAMES E. HEALEY</u>
DATED:	<u>CHESTER GRYGORCEWICZ</u>

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Sec. 9. American Capital Strategies, LTD. (ACAS) Director. ACAS shall have the right to designate one of the members of the Company's Board of Directors so long as all or any of the principal amount of the Notes or interest thereon shall remain outstanding, or for so long as ACAS shall hold any Warrant or Common Stock of the Company. Upon the occurrence, and during the continuance, of the Event of Default pursuant to Section 8.1(a) of the Note Purchase Agreement that remains uncured for 60 days (whether or not the unpaid balance on the Notes shall immediately become due and payable pursuant to Sections 8.2(a) or (b) of the Note Purchase Agreement or upon acceleration of the payment of principal of the Notes pursuant to Sections 8.2(a), or (b) of the Note Purchase Agreement, the Purchasers shall have the right to designate a majority of the members of the Company's Board of Directors. In the event that ACAS shall have the right to elect a majority of Board of Directors as aforesaid, such right shall continue until all Events of Default are cured and for a period of 180 days following all such cures. Members of the Board of Directors designated by ACAS shall receive board fees at not less than the amount received by other Members of the Board plus reimbursement for reasonable out-of-pocket expenses from the Company incurred in connection with attendance at Board of Directors, committee and stockholder meetings. Capitalized term contained in this section of the Company's By-laws shall be as defined in the Note Purchase Agreement between the Company and ACAS dated November , 2001.

DATED: 11/01/01


ROBERT L. MARCALUS

DATED:

NICHOLAS R. MARCALUS

DATED:

PETER A. MARCALUS

DATED:

CHARLES V. BONIN

DATED:

DAVID SHAPIRO

DATED:

JOEL H. GOLDBERG

DATED:

LEONARD S. POLANER

DATED:

ANTHONY R. COSCIA

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DATED:

ROBERT L. MARCALKUS

DATED: 12 Nov '01


NICHOLAS R. MARCALKUS

DATED:

PETER A. MARCALKUS

DATED:

CHARLES V. BONIN

DATED:

DAVID SHAPIRO

DATED:

JOEL H. GOLDBERG

DATED:

LEONARD S. POLANER

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DATED:

ROBERT L. MARCALUS

DATED:

NICHOLAS R. MARCALUS

DATED: 11/16/01


PETER A. MARCALUS

DATED:

CHARLES V. BONIN

DATED:

DAVID SHAPIRO

DATED:

JOEL H. GOLDBERG

DATED:

LEONARD S. POLANER

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ROBERT L. MARCALUS

DATED:

NICHOLAS R. MARCALUS

DATED:

PETER A. MARCALUS

DATED:

CHARLES V. BOYIN

DATED: 10/31/01

DAVID SHAPIRO

DATED:

JOEL H. GOLDBERG

DATED:

LEONARD S. POLANER

DATED:

ANTHONY R. COSCIA

DATED:

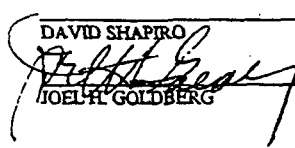
JAMES E. HEALEY

DATED:

CHESTER GRYGORCEWICZ

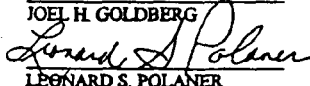
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DATED:	<u>PETER A. MARCALUS</u>
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DATED:	<u>JAMES E. HEALEY</u>
DATED:	<u>CHESTER GRYGORCEWICZ</u>

need not be shareholders of the Company. The number of directors may be increased or decreased by amendment of this provision of these By-laws or as may be provided in the Certificate of Incorporation.

Sec. 9. American Capital Strategies, LTD. (ACAS) Director. ACAS shall have the right to designate one of the members of the Company's Board of Directors so long as all or any of the principal amount of the Notes or interest thereon shall remain outstanding, or for so long as ACAS shall hold any Warrant or Common Stock of the Company. Upon the occurrence, and during the continuance, of the Event of Default pursuant to Section 8.1(a) of the Note Purchase Agreement that remains uncured for 60 days (whether or not the unpaid balance on the Notes shall immediately become due and payable pursuant to Sections 8.2(a) or (b) of the Note Purchase Agreement or upon acceleration of the payment of principal of the Notes pursuant to Sections 8.2(a), or (b) of the Note Purchase Agreement, the Purchasers shall have the right to designate a majority of the members of the Company's Board of Directors. In the event that ACAS shall have the right to elect a majority of Board of Directors as aforesaid, such right shall continue until all Events of Default are cured and for a period of 180 days following all such cures. Members of the Board of Directors designated by ACAS shall receive board fees at not less than the amount received by other Members of the Board plus reimbursement for reasonable out-of-pocket expenses from the Company incurred in connection with attendance at Board of Directors, committee and stockholder meetings. Capitalized term contained in this section of the Company's By-laws shall be as defined in the Note Purchase Agreement between the Company and ACAS dated November , 2001.

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(BY-LAWS-2001)

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DATED:

DAVID SHAPIRO

DATED:

JOEL H. GOLDBERG

DATED:

LEONARD S. POLANER

DATED:

ANTHONY R. COSCIA

DATED:

Oct. 19, 2001

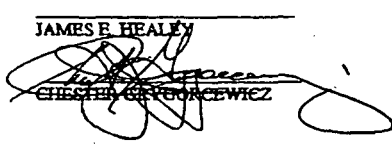
James E. Healey
JAMES E. HEALEY

DATED:

CHESTER GRYGORCEWICZ

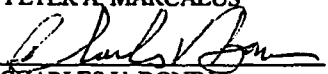

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DATED:	<u>ANTHONY R. COSCIA</u>
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DATED:	<u>CHESTER GRYGORCEWICZ</u>

**CORPORATE RESOLUTION
OF
MARCAL PAPER MILLS, INC.
UNANIMOUS CONSENT IN LIEU OF MEETING**

The undersigned, being all of the directors of Marcal Paper Mills, Inc., a New Jersey corporation, do hereby consent to the adoption of, and do hereby adopt, the following resolutions in lieu of a Special Meeting of the Board of Directors of the Corporation, pursuant to N.J.S.A. 14A:6-7.1(5):

WHEREAS, the Board of Directors of the Corporation upon due consideration deem it advisable and of the best interest of the Corporation to amend the By-laws of the Corporation permitting the creation of a Audit Committee and a Compensation Committee; and

WHEREAS, Article XI of the By-laws of the Corporation permits the amendment of the By-laws by a majority vote of the directors present at a duly called meeting of the Board of Directors; and

WHEREAS, NJSA 14A:6-7.1(5) allows the directors to act in lieu of a special meeting of directors; and

WHEREAS, Article VI of the Certificate of Incorporation of the Corporation provides the Board of Directors with the power to make, alter and repeal the By-laws;

NOW THEREFORE, be it resolved as follows:

RESOLVED that the Board of Directors of Marcal Paper Mills, Inc., a corporation of New Jersey deems it advisable and of the best interest of the Corporation and declares it to be advisable and of the best interest of the Corporation that the By-laws of the Corporation be amended as follows:

ARTICLE XII

Sec. 1. Audit Committee. Composition. There may be an Audit Committee composed of such Directors as shall be appointed by the Board, none of which may be employees of the Company and who shall meet when they see fit.

Sec. 2. Responsibilities of the Audit Committee. The responsibilities of the Audit Committee shall be as follows:

- (a) To recommend to the Board for approval by the stockholders a firm of independent public accountants, hereinafter called the firm, to audit the accounts of the Company, and such of its subsidiaries as the Audit Committee may recommend, for the year regarding which the firm is appointed.
- (b) To meet jointly and/or separately with the Comptroller and Chief Financial Officer of the Company and the firm before commencement of the audit (i) to discuss the evaluation by the firm of the adequacy and effectiveness of the accounting procedures and internal controls of the Company and its subsidiaries, (ii) to approve the overall scope of the audit to be made and the fees to be charged, (iii) to inquire regarding and discuss with the firm recent Financial Accounting Standards Board pronouncements, if any, which might affect the Company's financial statements.
- (c) To meet jointly and/or separately with the Comptroller and Chief Financial Officer and the firm at the conclusion of the audit; (i) to review the audited financial statements of the Company, (ii) to discuss the results of the audit; (iii) to discuss any significant recommendations by the firm for improvement of accounting

systems and controls of the Company, and (iv) to discuss the quality and depth of staffing in the accounting and financial departments of the Company.

- (d) To meet and confer with such officers and employees of the Company as the Audit Committee shall deem appropriate in connection with carrying out the foregoing responsibilities.

ARTICLE XIII

Sec. 1 Compensation Committee Composition There shall be a Compensation Committee composed of such Directors as shall be appointed by the Board, who shall meet when they see fit.

Sec. 2 Responsibilities of the Compensation Committee The responsibilities of the Compensation Committee shall be as follows:

- (a) Fix from time to time the compensation of all principal officers of the Company.
- (b) Review and approve bonus programs of the Company.
- (c) Receive and approve benefit programs of executives reporting to the Chief Executive Officer.
- (d) Retain, when necessary, outside compensation organizations to develop comparison studies.

After taking the above actions, the Compensation Committee shall make their recommendations directly to the Board of Directors for approval.

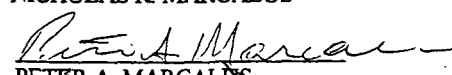
DATED: Nov. 21, 01


ROBERT L. MARCALUS

DATED: 21 Nov 01


NICHOLAS R. MARCALUS

DATED: 11-21-01


PETER A. MARCALUS

DATED: 11/30/01


CHARLES V. BONIN

DATED: 11/26/01


DAVID SHAPIRO

DATED:


JOEL H. GOLDBERG

DATED:


LEONARD S. POLANER

DATED:


ANTHONY R. COSCIA

DATED:


JAMES E. HEALEY

DATED: 11/21/01


CHESTER GRYGORCEWICZ

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DATED:	ANTHONY R. COSCIA
DATED: Nov. 14, 2001	 JAMES E. HEALEY
DATED:	CHESTER GRYGORCEWICZ

CERTIFICATE OF INCUMBENCY

I, CHARLES V. BONIN, do hereby certify that I am the duly elected, qualified and acting Assistant Secretary of Marcal Paper Mills, Inc., a New Jersey corporation, and Secretary of Land Control SPE, Inc., a New Jersey Corporation and I do further certify that the officers whose names, title and signatures appear below are duly elected, qualified and acting officers of Land Control SEP, Inc. and hold on the date of this certification the offices set opposite their respective names, and the signatures appearing opposite their respective names are the genuine signatures of such officers. I also certify that Marcal Paper Mills, Inc. and Land Control SPE, Inc. are the only members of Lacram Land, LLC and Land Control SPE, Inc. is the Managing Member of Lacram Land, LLC and that Nicholas R. Marcalus is the President/C.E.O. of Marcal Paper Mills, Inc. and the President of Land Control SPE, Inc.

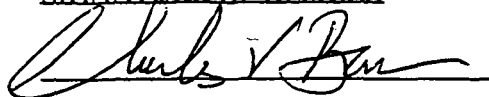
NAME OF OFFICER

TITLE OF OFFICER

SIGNATURE OF OFFICER

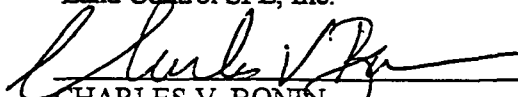
Charles V. Bonin

Ass't Secretary of
Marcal Paper Mills, Inc.



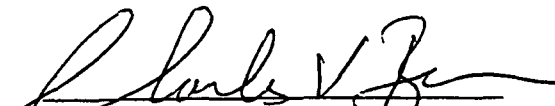
Charles V. Bonin

Secretary of
Land Control SPE, Inc.


CHARLES V. BONIN
ASSISTANT SECRETARY

THE UNDERSIGNED does hereby certify that all of the information set forth above is true and correct.

DATED: Dec. 17, 2001


CHARLES V. BONIN,
ASSISTANT SECRETARY

(LAND CONTROL CERT. OF INCUMBENCY)